

Kohl Partners Halt Bid to Name Rival To His Candidate

Compiled by Our Staff From Dispatches
BONN — Chancellor Helmut Kohl's embattled presidential candidate received a boost Monday when the chancellor's junior coalition partners dropped efforts to draft a possible rival.

Steffen Heitmann, a largely unknown politician from Eastern Germany picked by Mr. Kohl in run for the presidency next year, has been under pressure over comments about Germany's Nazi past and the criticism continued Monday.

But Foreign Minister Klaus Kinkel, leader of the junior Free Democrats in the governing coalition, said he had quit trying to recruit Hans-Dietrich Genscher, the popular former foreign minister and Free Democratic party leader, as a possible candidate for the presidency.

Mr. Genscher issued a statement saying: "I have often said so, but I

will repeat myself once again. I categorically do not want to be a candidate for the presidency."

Mr. Genscher, 66, has heart problems and is thought to have been urged by his wife to keep out of the race.

The Free Democrats "will now look carefully and see where we stand," Mr. Kinkel said after telling party leaders that Mr. Genscher had again refused an offer to run for the ceremonial but prestigious presidency. "We are not under any time pressure."

Critics, including the opposition Social Democrats, said Mr. Heitmann was damaging the country's reputation by saying Germans should put the Holocaust behind them.

Mr. Kohl's conservative coalition partners, the Christian Social Union of Bavaria, seemed to fall in line behind Mr. Heitmann as candidate after he met party leaders in Munich. Finance Minister Theo Waigel, the Bavarian chairman, said his party found "a high level of agreement" on policy issues.

Liberal and left-leaning newspapers called Mr. Heitmann a "beer hall candidate" because of the populist sentiments he has expressed in recent interviews, including skepticism about European unity.

The head of Germany's Jewish community criticized Mr. Heitmann over the weekend after a newspaper interview that touched on the Nazi past, European integration, the role of women and the number of foreigners in Germany.

The presidential vote in May falls amid a marathon of 19 regional, national and European elections in which voters are expected to drift away from the established parties.

An assembly of delegates from parliament and Germany's 16 federal states will elect the successor to the popular head of state, Richard von Weizsäcker, who is stepping down after two five-year terms.

Mr. Genscher's refusal left the liberals without a clear preference, although some party rebels have backed the Social Democrat from North Rhine-Westphalia state, Premier Johannes Rau.

In another election development, analysts said the protest voting in Hamburg's city elections was becoming a fixed part of the German scene and upsetting traditional patterns of political loyalty.

The election Sunday in Germany's second-largest city "slapped the major parties on both cheeks," a newspaper said, and gave them just under 70 percent of the vote. The other 30 percent opted for alternatives, ranging from the left Green — the biggest winner of the day — and a moderate protest party to the nationalist far-right.

Editorials expressed relief that two rival parties split the far-right vote, ensuring that neither cleared the 5 percent hurdle to win seats in the city-state's legislature, but saw their 8 percent overall support as ominous.

Hamburg's ruling Social Democrats dropped to 48.4 percent from their 49 percent in 1991 and looked likely to form a coalition with the Greens.

The Christian Democrats lost 10 points to end up with only 25.1 percent. The Free Democrats, coalition partners in the national government, lost the few seats they had by scoring only 4.1 percent.

By contrast, the Instead party, a group of moderates that organized only two months ago as a protest but with no clear policies, won 5.6 percent.

(Reuters, AFP)

Bonn Sets Talks on Rights of Its Turks

BONN — Prime Minister Tansu Ciller of Turkey and Chancellor Helmut Kohl agreed Monday to set up a committee to discuss neo-Nazi attacks and citizenship rights for Germany's large Turkish minority.

Several hundred Kurds chanting "Ciller — murderer" protested in Bonn during the talks, and pressure groups urged Mr. Kohl to insist Turkey improve its human rights record.

Two demonstrators were arrested and five injured in clashes with police, a police spokesman said.

Mrs. Ciller also discussed with Mr. Kohl ways of boosting bilateral trade and was to meet German bankers to promote her plan to privatize Turkey's huge state industrial sector.

A Bonn official said that a joint working group "will discuss all legal and constitutional questions of mutual interest, including questions of status, citizenship rights and internal security."

Mrs. Ciller has irritated Bonn by urging it to give its Turkish residents "German citizenship." There are 1.8 million Turks in Germany, many of them born in this country, but few have become German citizens because Bonn bars dual nationality.

Turks have been a main target of racist attacks in Germany over the past two years. Three Turks were burned to death last November in Möln and another five in Solingen in May.

Mrs. Ciller, who speaks fluent German, also sought support from Bonn for Ankara's bid to join the European Community.

Officials in Ankara said Mrs. Ciller would also urge Bonn to outlaw exiled Kurdish groups linked with the Kurdistan Workers' Party, whose fight for an independent Kurdish homeland since 1984 has killed about 6,300 people.

Germany, home to about 400,000 Kurds, considers the Kurdish issue a domestic problem which Turkey must solve through political means.

National Party Aide Charged in London Clash

LONDON — Four men accused of being involved in clashes between rightist supporters and anti-racist demonstrators in London's poor East End district were charged with violent disorder on Monday.

Among those charged was Richard Edmonds, national organizer of the rightist British National Party. The violence Sunday followed the election of a candidate of the party, Derek Beackon, to the local council in the Millwall area of east London on Thursday. It was the first election victory by a racist party in Britain since 1976.

One of Mr. Beackon's first acts as a council member was to appear in court Monday in support of the four men. He avoided reporters who tried to question him.



Derek Beackon, the newly elected National Party council member, flashing out at photographers as he left a court Monday.

Envoys Cancel Bosnia Signing Over Impasse on Land Division

ZAGREB, Croatia — Bosnia's three warring factions failed again to come to terms for a peace plan during a surprise meeting Monday on a British warship in the Adriatic Sea, Croatia's state news agency said Monday.

Lack of progress in the talks, held on the aircraft carrier Invincible in the Adriatic Sea, wrecked plans by mediators to sign a peace plan Tuesday in Bosnia's capital, Sarajevo.

The Croatian news agency, HINA, quoted John Mills, a spokesman for the mediators, as saying there were "no steps forward in negotiations."

There will not be a meeting because all sides have not shown sufficient flexibility," Mr. Mills said.

The biggest obstacle to the plan, which would divide Bosnia into Serbian, Croatian and Muslim minorities, appeared to be the Muslim-led government's demand for access to the Adriatic.

Reports said the meeting included the Bosnian president Alija Izetbegovic, the leader of the Bosnian Croats, Mate Boban, and the Croatian president, Franjo Tudjman.

The press agency said the president of Serbia, Slobodan Milosevic, and Bosnian Serbian leader, Radovan Karadzic, also were aboard the ship.

The session was held by the special envoys, Lord Owen of the European Community, and Thorvald Stoltenberg of the United Nations, who have said they hoped a plan could be ready for signing Tuesday.

Talks collapsed Sept. 1 in Geneva when Serbs and Croats balked at giving Mr. Izetbegovic more territory for what would be a landlocked, Muslim-dominated state in central Bosnia.

Mr. Tudjman also refused to guarantee Bosnians access to the sea through the port of Neum, but he appeared ready to offer Croat-controlled access to the nearby port of Ploce.

Apparently ignoring a cease-fire that was to have taken effect at midday Saturday, Bosnian government forces continued to push on the northern and southern ends of a 200-kilometer front line running through central Bosnia, which they need to secure supply routes this winter.

The Muslim-led Bosnian forces made "significant gains" of 10 kilometers against Croats north of Mostar, a UN spokesman, Lieutenant Colonel Bill Alkman, said in Sarajevo.

Fierce fighting was reported in Mostar, where up to 30,000 Muslims have been under Croatian siege for months.

Russia Calls On Georgia Not to Fight Abkhazians

MOSCOW — Defense Minister Pavel S. Grachev called Monday for Georgian troops to leave the breakaway republic of Abkhazia, and he attacked the Georgian leader, Eduard A. Shevardnadze, for using force against the ethnic separatists there, the press agency Itar-Tass reported.

Mr. Shevardnadze remained in the Abkhazian capital, Sukhumi, as fighting continued on the outskirts of the city and troop reinforcements and military hardware poured in, a Georgian spokeswoman said. The fighting continued despite an agreement reported Sunday in which both sides were to withdraw their forces.

Mr. Grachev said that only the "immediate withdrawal" of Georgian troops from Abkhazia would end the fighting, and he blamed the "political ambitions" of both "old and new leaders" for the recent renewal of the conflict. Itar-Tass said.

His remarks contrasted sharply with Russian condemnations of the Abkhazian leadership last week, when Abkhazian forces violated a cease-fire, and they indicated that Russia would not intervene further to help Mr. Shevardnadze.

Russia has cut electricity to much of Abkhazia, repealed special trade terms and financial credits and stepped up efforts to keep goods from being transferred from southern Russia into Abkhazia.

Mr. Grachev, who held talks with Mr. Shevardnadze on Friday, said the Georgian leader had rejected his proposal to deploy additional Russian buffer troops in the conflict zone to disarm the warring sides and end the hostilities. He said it was only on Sunday that Mr. Shevardnadze, who had earlier vowed to defend Sukhumi "with my bare hands," had agreed to the Russian proposal, by which time, according to Mr. Grachev, it was too late to implement.

"As the latest events have shown, I was right," Itar-Tass quoted Mr. Grachev as having said in a meeting in Moscow with his British counterpart, Malcolm Rifkind.

"Now I could not repeat this proposal even if I wanted to, because in the last three days the situation in the Sukhumi region has changed so much that now the use of buffer forces to separate the two sides is impossible."

Mr. Grachev said Vladislav Ardzinba, the Abkhazian leader, had told him that Abkhazian forces would agree to open a corridor allowing Georgian troops to pull out and had agreed not to enter the center of the capital.

(AFP, Reuters, AP)

A NATO Force for Bosnia?

UN Chief Says 'Yes,' but Insists That Alliance Pay Cost

By Paul Lewis
 New York Times Service

UNITED NATIONS, New York — Secretary-General Butros Ghali said he welcomes NATO's taking full control of any new peacekeeping operation in Bosnia and that he will pass the message to the U.S. secretary of state.

But he made it clear in an interview on Sunday that the cost of any such venture must be borne by NATO. "The United Nations flag must not become a flag of convenience," he said.

Mr. Butros Ghali said Secretary of State Warren M. Christopher had asked to meet with him on Monday in New York. Officials said that Madeleine K. Albright, the U.S. representative to the United Nations, was arranging the meeting so Mr. Christopher could discuss administration efforts to involve the United States more deeply in peacekeeping and other operations.

While the secretary-general said he did not care who ran a peacekeeping force in Bosnia, in the event that agreement is reached, he emphasized that he would also re-

mind Mr. Christopher of the American debt to the UN.

At the end of August, UN members owed a total of \$1.9 billion in dues and peacekeeping assessments. The United States owed \$779 million.

"The United States has no credibility until it pays and stops hiding its incapacity to pay behind complaints about the need for more United Nations reforms," Mr. Butros Ghali said.

He also dismissed British and French fears about the cost of a NATO operation, saying the alliance should obtain contributions from rich countries like Japan and Saudi Arabia who are not members.

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STATESIDE / AN M.D. APPEAL

Koop Is Set To Promote The Clinton Health Plan

The Associated Press
WASHINGTON — President Bill Clinton asked a group of prominent doctors Monday to support his health-care plan, promising malpractice reform, less paperwork, fewer government regulations and no loss in earnings.

Hillary Rodham Clinton, who opened the meeting, named Dr. C. Everett Koop, who was surgeon general in two Republican administrations, to organize a series of forums to give doctors a chance to hear about and comment on the plan.

Dr. Koop said Monday that Mr. Clinton had already accomplished "more in health-care reform" than all of his living predecessors put together.

The president is to address a joint session of Congress on Wednesday on his far-reaching plan to guarantee health coverage for all Americans while drastically slowing the rise in medical costs.

On Monday, he told more than 100 doctors in the White House, "We clearly must preserve what is right with our health care system."

Those things, he said, include "the close patient-doctor relationship, the best doctors and nurses, the best academic research, the best advanced technology in the world."

"We can do that and still fix what's wrong," he said. "In fact, we can enhance what's right if we fix what's wrong."

The White House prepared a short outline of how the health-care overhaul would affect doctors. It promises to trim paperwork, streamline regulations, change malpractice laws and maintain doctors' incomes.

The malpractice changes would limit attorneys' fees and require patients wishing to file lawsuits to first make their case out of court. The outline said the gap between the incomes of specialists and primary care physicians would be closed as the demand for primary care grew.



Former Surgeon General C. Everett Koop, left, and the Clintons at a meeting with physicians to seek support for the health plan.

Moynihan Derides Financing Proposal

By Dana Priest
Washington Post Service
WASHINGTON — Senator Daniel Patrick Moynihan, the Finance Committee chairman, has called the Clinton administration's plan for financing health care reform a "fantasy" and has said he may support a Republican alternative.

Mr. Moynihan, a Democrat from New York, roundly dismissed both the administration's estimates of cost and the source of the financing.

Mr. Moynihan, in a television appearance, joined the ranks of critics who have challenged the administration's financing plan since last week, when a 239-page draft of the proposal was leaked and circulated.

He said of the White House proposal, which calls for squeezing \$238 billion from projected spending on Medicare and Medicaid: "It's fantasy, but accurate fantasy. These numbers all come out of their computer in that way. They won't last; they mustn't last."

He said the administration's belief that it could slow Medicaid's projected rate of growth by one-half after years of double-digit growth "is to have lost touch with reality." Medicaid is the federal-state health program for the poor.

There has been significant debate within the administration over just how fast the government should force down the projected rates of growth in Medicaid and Medicare and to suppress private sector spending. Medicare is the federal health subsidy for the elderly.

According to several administration sources, Hillary Rodham Clinton has argued forcefully that there is enough fat in the system to reduce spending without disrupting services.

Treasury Secretary Lloyd Bentsen, among others, has argued for a slower clampdown on spending growth.

But Mr. Moynihan, while saying that passing health care reform would be "a tough fight," added that Republicans and Democrats seemed "to be on the verge of an historic breakthrough."

The Republican leadership last week proposed to expand health care coverage, but more gradually than the Clinton administration, and it is this plan that Mr. Moynihan said he might support. Mr. Clinton would cover all Americans by 1997.

plans available but would not force them to pick up the premiums.

The Republican plan would also expand community health clinics, restrict an insurance company's ability to reject applicants and give states flexibility in spending their Medicaid funds. Republican leaders said their plan would not cost the government additional money.

A high-ranking White House health adviser said Sunday that no elaboration on the administration's financing scheme will be available until early October. Mr. Clinton's plan is expected to cost the government \$700 billion over five years, and much of that money would come from money it otherwise would have spent on Medicare and Medicaid.

Mr. Clinton, in his address to a joint session of Congress on Wednesday night, will stay clear of the financing details and speak instead of the principles the overall plan embodies, sources said.

The plan would control Medicare spending by imposing new limits on physician and hospital fees and by trying to limit the number of procedures performed. It would control health spending in the private sector by limiting the yearly increase in health premiums and by making the health care market more competitive.

Salvos in Court Over Navy Jet

Los Angeles Times Service
WASHINGTON — The two biggest U.S. military contractors began squaring off Monday in court against the federal government over the 1991 cancellation of the A-12 attack jet program, the largest legal dispute in defense industry history.

McDonnell Douglas Corp. and General Dynamics Corp. allege that former Defense Secretary Dick Cheney overstepped his authority when he canceled the A-12 contract under punitive terms and then, they say, schemed to cover up the error.

The government asserts that Mr. Cheney's actions were proper and that the companies mismanaged the A-12 program.

The two contractors are demanding \$1.5 billion from the government, while the Pentagon wants a refund of \$1.4 billion. The government has put an estimated 50 attorneys on the case, pitted against 40 for the contractors. The two sides have exchanged nearly 10 million documents.

The trial, which is expected to take two weeks, features an elite cast, including Mr. Cheney and the chairman of the Joint Chiefs of Staff, General Colin L. Powell, as well as many admirals and former senior Bush administration officials.

The A-12 attack jet was intended to replace the A-6 Avenger, a 30-year-old aircraft that is restricted

from flying at top speed because of problems with cracks in its wings. The A-12 was to be the navy's first Stealth jet, flying from an aircraft carrier deep into enemy territory without being detected by radar.

But in 1990, the contractors began experiencing major cost overruns and schedule delays. By the time the program was canceled on Jan. 7, 1991, it was estimated to be anywhere from \$2 billion to \$9 billion over budget.

Judge Robert Hodges temporarily put aside the bulk of the case earlier this year and declared that he would hold a trial on a single issue: the allegation that Mr. Cheney improperly ordered the termination.

POLITICAL NOTES

A Reluctant First Saxophonist

WASHINGTON — Martha Reeves complained that the president had once upstaged her by playing his saxophone on a TV show for which she and her Vandellas had been scheduled to provide the musical turn. But this night the First Saxophonist announced that he had left his instrument at home, allowing Stevie Wonder to exact Motown's revenge.

Not that Mr. Clinton could have minded, as the 5,000 guests at the Congressional Black Caucus Foundation fund-raiser rose to their feet and applauded with a little more gusto than politeness required. "We now have to break down our barriers just like Israel and the Palestinians did this week," he said.

The dinner, which now jostles for the top spot among the city's monster functions, has grown steadily in proportion to the membership and clout of the caucus. Two years ago it outgrew the Hilton and moved to the Washington Convention Center. This year the organizers added another 100 tables.

The president, whom caucus members had criticized recently for lacking a civil rights policy, thanked caucus members for their "constructive criticism."

He recited off a list of his black appointees, including Surgeon General Joycelyn Elders, his dinner companion.

Eight candidates, including a former nun, a sheriff and a talk-show host, are on the ballot for Tuesday's nonpartisan preliminary election. The top two finalists will face each other in November for a four-year term.

Boston has had only four mayors, all Democrats, since 1947. With only two candidates of Irish descent, James T. Brett and Francis M. Roache, running this time, Boston could soon have its first non-Irish mayor in more than 60 years.

Polls say that the race is too close to call, but these are considered to be the front-runners:

• Thomas M. Menino. As president of the City Council, he automatically became mayor when Mr. Flynn stepped down in July. During his brief tenure he spent \$500,000 of the city's emergency fund to create summer jobs for teenagers.

• Rosaria Salerno, a City Council member since 1987 who was once a Benettonite nun and emphasizes crime prevention and education.

• Mr. Brett, a state representative. If the election could be won by lawn signs, he would be a shoo-in.

• Robert C. Rufo, the sheriff, who is running a law-and-order campaign that hopes to capitalize on voters' oft-mentioned concerns about crime. He was endorsed by The Globe and The Boston Herald. (NYT)

Quote / Unquote

Dr. C. Everett Koop, who was surgeon general under two Republican presidents and was named Monday to help explain the Clinton administration's health-care plan to physicians, said that Mr. Clinton had already "accomplished more in health-care reform... than all of his living predecessors put together." (AP)

Are the Amish Cruel to Dogs?

Animal Rights Advocates Denounce Sect's Pet Breeders

By Michael deCourcy Hinds
New York Times Service

GAP, Pennsylvania — Amos K. Stoltzfus is one of the bearded, straw-hatted Amish farmers whose 19th-century life style has been romanticized nearly as often as the Amish's horse-drawn huggies have been pictured on postcards and photographed by tourists here in Lancaster County.

But now animal rights advocates, a bit overzealous about challenging this popular image, have accused Amish farmers like Mr. Stoltzfus of breeding dogs in a cruel way and flooding the market with puppies that are sometimes maladjusted and sick.

Pennsylvania dog officers and humane agents say they have found many Amish breeders who violate health, shelter and sanitary standards for kennels. And a national humane society has called for a national consumer boycott of pet store puppies that come from Pennsylvania's commercial kennels, many of them Amish-owned.

The Amish, a reclusive Christian sect with roots in Germany, are by no means the only kennel operators who have been cited by the state. "Engelmen," as the Amish refer to most outsiders, have also been charged with violating state laws.

But the Amish in southeastern Pennsylvania have taken the lead in dog breeding in the last decade, opening up a great many, if not the majority, of the hundreds of new commercial kennels in the state and, in the process, taking away business from Midwest breeders.

The Amish have previously had scrapes with the outside world when the biblical laws that govern their lives clashed with local zoning or building codes, but these plain-living, gentle people have never been accused of anything that goes so much against their reputation as animal cruelty.

The crux of this matter is again a clash of cultures.

The Amish say they raise dogs much as they would any other livestock, restricting the dogs to small cages and killing the parents when they are no longer productive.

Animal-rights advocates say the dogs need more human contact because they are domestic animals that should be prepared for lives as family pets.

State and federal laws are silent on the moral questions, but they do mandate some things that some Amish consider unnecessary, like a minimum cage size.

"I personally think some of these animal-rights people are more concerned about dogs than their own children," said Mr. Stoltzfus, 56.

Mr. Stoltzfus's 40 Doberman pinschers and Rottweilers, which are housed in a modern metal-clad building, scampered about their caged pens and barked ferociously.

He sees nothing inhumane about his methods of dog breeding. And he dismisses criticism that a commercial kennel like his produces puppies with behavioral problems because the big kennels cannot give the puppies sufficient human contact.

The Humane Society of the United States, a non-profit educational organization in Washington, first called attention to problems associated with mass-production breeding in Pennsylvania in 1991, when it called for a national consumer boycott of pet store puppies from Pennsylvania's "puppy mills," as the society calls them.

The boycott continues, with uncertain effect, against Pennsylvania as well as against six other states with many commercial kennels — Iowa, Arkansas, Kansas, Missouri, Nebraska and Oklahoma — that the society had blacklisted in 1990.

Rachel A. Lamb, a humane society spokeswoman, said there were about 5,000 commercial puppy kennels around the nation that breed dogs in cages. They produce about 500,000 puppies a year.

Away From Politics

A fire destroyed an abortion clinic in Bakersfield, California, and arson is suspected, the authorities said. No injuries were reported.

Two Mormon dissidents have been excommunicated for abandoning their faith by church courts in Salt Lake City, Utah. The actions came months after a church leader identified feminists, homosexuals and intellectuals as the three dangers facing the church.

A Methodist minister was shot to death in front of his congregation and his 13-year-old daughter as he was finishing his sermon in North Salem, Indiana. The police said a woman he once dated was arrested.

A man whose bloody palm print was found at an apartment where a college student was stabbed to death and her roommate grievously wounded has been charged with murder, the police in Gainesville, Florida, said. Richard A. Meissner, 27, was charged with the slaying of Gina M. Langevin and the attempted murder of her roommate, Jena Hull, the police said.

Police said they did not have a suspect in and did not know the motive for the slaying in Tampa, Florida, of Mehmet Bahar, a 17-year-old Turkish exchange student whose body was found near the home where he was staying.

Victoria Van Meter, 11, took off from Augusta, Maine, in a single-engine plane on a quest to become the youngest girl to fly across the United States. (AP, Reuters, AFP)

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Chinese Nuclear Test?

Why is China preparing, according to American intelligence, to conduct another nuclear test? Its great Cold War foe, the Soviet Union, is no more. Its links with the United States, although politically strained, are strategically cordial. It has just taken an important initiative with India, its one major regional rival with a nuclear weapons capacity. It professes, despite a disturbing record to the contrary, to desire a strong role in global nonproliferation issues. Yet there it is cooking up a test at Lop Nor, conceivably waiting only to see how its bid to host the 2000 Olympics fares when the Olympics people meet this week. Give us the Olympics or we test — is that China's pitch?

Two Canadian Federalists

Canada has been struggling for more than two decades to decide whether it wants to be one country, or two or perhaps several. The probability of secession by the province of Quebec now seems, once again, to be rising. The two Canadian leaders who have worked hardest in recent years to hold the country together will both have departed by early next year. Last June the Canadian prime minister, Brian Mulroney, stepped down to let his Conservative Party march into next month's election under a new candidate. Now Quebec's premier, Robert Bourassa, says that he will leave politics in January before the provincial elections later next year.

Save the Haiti Agreement

The Clinton administration was proud to take credit for brokering a United Nations agreement in July intended to return President Jean-Bertrand Aristide to power in Haiti by Oct. 30. Finally, the Clinton team seemed to have found the knack of mixing threat and compromise in the right proportions to achieve diplomatic success. Now it needs to get tough again with the military and police leaders who are out to wreck that agreement by letting things murder and intimidate Aristide supporters during the final weeks of the scheduled transition.

Straight Talk From Carter

Former presidents enjoy a special authority and a great deal of freedom to speak that comes from having served in America's top job. Few have used that freedom and authority better than Jimmy Carter. It has been said so many times in recent years that Mr. Carter is an awfully good ex-president that it is forgotten how unpopular he was when he left the White House in 1981. During the 1980s it was not at all fashionable to say that one had voted for Mr. Carter, let alone in have served in his administration.

It's Time the Mideast Partners Got to Know Each Other

By David K. Shipler

WASHINGTON — Now that the Israelis and the Palestinians have finally given each other official recognition, they are free to search for human recognition, the more elusive acceptance that comes from destroying old myths and facing truths long denied.

On each side, images and caricatures of the other have been taught to children by parents and teachers, codified in textbooks, embellished in literature, popularized in slang. A whole set of stereotypes may prove as resistant to change as biases have been in other multi-ethnic societies.

Political figures on both sides can learn from an episode last January, when 16 Jewish-American and Palestinian-American women, leaders of Jewish or Arab organizations who had been holding dialogues for several years, visited Israel and the occupied territories together.



The writer, a former Jerusalem bureau chief of The New York Times who is now preparing a book about race in America, wrote the Pulitzer Prize-winning 'Arab and Jew: Wounded Spirits in a Promised Land.' He contributed this comment to The New York Times.

Taiwan Was Temporarily Part of China, but That Was Long Ago

By Maysing Yang and Phyllis Hwang

TAIPEI — Recently, Beijing issued a policy paper reasserting China's claim to sovereignty over Taiwan. 'Taiwan has belonged to China since ancient times,' it said.

When the republic was suppressed within a year, the Japanese colonialists allowed the Taiwanese people a two-year period in which they could choose Chinese nationality and move to China. Only a tiny fraction of the population chose to do so.

Republic of China on Taiwan has exercised effective government since 1949, its control has never extended simultaneously to the mainland. Therefore, the government in Taipei has no authority to define the borders of China.

many countries and participates actively in international organizations. China does not have to worry about Taiwan declaring independence, it already has it.

As Brazilians Look Out, Outsiders Might Be Smart to Look In

By Philip Bowring

SAO PAULO — Cut off by a curtain of language, distance and debt, Brazil in recent years has ignored the world. The world in turn has ignored Brazil. That is now changing. Two years from now, Brazil may well be the place where the rest of the world wants to be.

One might think to go to Brasilia. The visitor is overwhelmed by a lack of interest in the outside world. Buying a foreign newspaper, so simple in Beijing, Cairo, Jakarta or New Delhi, is a tough task in the capital of the world's fifth most populous nation.

A trade and diplomatic initiative is about to be started in East Asia, with ministers and businessmen visiting six countries including China. But can anyone in the Commerce and Industry Ministry be found to talk about Brazil's trade and relations with the countries to be visited?

country with a future going through some temporary difficulties is mostly intact. From a long-term perspective, particularly as viewed from a rising Asia, Brazil may seem an outpost of Western civilization that has yet to deliver prosperity, let alone reach the forefront of progress.

No, Expansion Eastward Isn't What NATO Needs

By Charles William Maynes

WASHINGTON — Michael Mandelstam's opinion article 'Open Up the Balkans to East European Democracies' (IHT, Sept. 6) is part of a growing campaign to move NATO's borders eastward to the edge of Russia.

First, it can recognize that the problem of ethnic conflict is not a concern that NATO is designed to handle. It could not handle it in Cyprus, and it cannot handle it in Bosnia. The Conference on Security and Cooperation in Europe is already much more active in trying to mediate these disputes precisely because it includes everyone.

Foreigners are concentrating attention on other Latin countries, notably Argentina, Chile and Mexico, which are further ahead in reform terms. But Brazil is bigger than the three combined, and its economic (but not political) fundamentals, in industry and agriculture, are stronger.

There is no question that the Serbians have crossed the Cetina, and cavalry forces were approaching Prijevo when the last reports were dispatched. It is probable that they are now holding this important town, situated 25 miles north-northeast of Mostar.

1893: The Last Hurrahs

HOMBURG-VOR-DEH-HOHE — Although the season is virtually over, there are still some final splutterings of gaiety going on. The Minerbi family left us at the end of the week. They have been exceedingly popular during their stay here, and we did what we could in the way of smoothing out their departure. The Sholto-Douglass, who have been unceasing in their cheery hospitality, have gone and left a sad void behind them.

1918: Allies Advance

PARIS — Latest news from the Macedonian front shows that the Allied forces have made further splendid progress in their swiftly-developing offensive. The Bulgarian retreat has spread over a front of 70 miles and at many points the enemy forces have been completely routed. The Serbian advance is of more than 30 miles. The Serbians have crossed the Cetina, and cavalry forces were approaching Prijevo when the last reports were dispatched. It is probable that they are now holding this important town, situated 25 miles north-northeast of Mostar.

1943: Salerno Retreat

ALLIED HEADQUARTERS IN NORTH AFRICA — [From our New York edition:] The Germans began a general withdrawal from the Salerno battlefield yesterday (Sept. 19) leaving Lieutenant General Mark W. Clark's American Army in undisputed possession of the expanding bridgehead, which has now enveloped the dominating heights and passes of the Surrentine Peninsula 15 miles south of Naples. There was little fighting yesterday. There is no indication yet where the Germans will stand, but their main movements were spotted moving onward through a mountain pass about 30 miles northeast of the battle area.

1918: Allies Advance

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International Herald Tribune contact information including address, phone numbers, and subscription details for various regions.

Handwritten notes and stamps at the bottom of the page, including a date stamp '1993-09-21' and a signature '010'.

OPINION

A President Who Prefers Coalitions

By William Safire

WASHINGTON — One style of leadership says "Follow me." Another style, sensitivity-trained and consciousness-raised, says "Let's see how we can work this out together."

That's fine, say conservatives, on domestic affairs when Democrats are in power; it's the way a Clinton health proposal can be reshaped. But on foreign affairs we recoil at the after-you approach. The spectacle of a U.S. president being rebuffed on Bosnian defense by European allies, then being drawn into policing a surrender negotiated by the United Nations, strikes us as multilateralism run amok.

In a recent interview (on which I may dine out and write deep insider stuff forever), I asked: What were the topics of his National Security Directives? This was an invitation to spill classified information, which he declined.

"I have read a great deal in the last month or two from people who say that... we may be giving over too much to the United Nations," he said, then tipped the topic of one NSD: "We are looking at what the rules of engagement should be in a general way with the United States forces in United Nations operations, and in other multinational operations."

The National Security Council is apparently wrestling with how to handle times to come when a superpower chooses to act as a subpower. In Korea in the '50s and in the Gulf in the '90s, the United States used a UN cover to run its own show; tomorrow the United Nations or NATO may be using American forces to run a many-nationed show.

Doves think this restraint is overdue, but such deference to global bureaucracies is more than most Americans are ready for. Mr. Clinton sells it this way: "I disagree with those who say that the United States participation in multinational force arrangements is always and by definition a derogation of our national interests. I think sometimes it furthers our national interest and saves money."

That is the straw-man technique I practiced in a previous incarnation: push an opposing argument to an extreme and then disagree. The real choice comes when national interest is in dispute, in such a crunch, Mr. Clinton seems likely to cling to consensus and turn to the United Nations.

So I put it to the president squarely: You seem to be all carrot and no stick. When do you exercise power, show you have a memory, try to impose discipline? "First of all, on Somalia," he replied. "We've been criticized for being all stick and no carrot. And secondly, in-



sofar as there has been a stick in Bosnia ever, the United States has provided it... so I don't think it's fair to say there has been no stick."

I think the criticism of sticklessness is quite fair, reflecting Mr. Clinton's congenial coalitionism across the board. And at home his lust for temporary alliances enshrines political other-cheekiness. The other day, Senator Don Riegle of Michigan embraced Ross Perot to denounce NAFTA, which President Clinton is for, yet the president will help Mr. Riegle raise money to get re-elected. Discipline vanishes when by-gones are always by-gones.

"There's always another vote coming up, always another issue coming up," the president explains. "I was elected with a philosophy of government and a set of positions that did not fall easily within the traditional alliances of either the Democrats or the Republicans in Congress... In the end, on the domestic front, the only stick a president has is whether the people will or will not hold those who are obstacles to progress accountable at the next election."

After eight months in office, does he lean more toward exercising leadership — or toward exercising the ability to build coalitions?

"I don't believe the two things are inconsistent. In America today, I don't think you can govern effectively unless you can build coalitions."

Is there steel under that softness? Will there come a moment when Mr. Clinton's complaisant multi style gives way to the follow-me, uni urge? I don't know.

The interviewee gets the last word: "On the domestic front, I just would remind you that it wasn't me, it was Lyndon Johnson who said one of the best lessons he ever learned from Sam Rayburn was never to tell anybody to go to hell unless you can make them go."

The New York Times

Open Trade Has Been Good for Us

By Edwin M. Yoder Jr.

WASHINGTON — President Bill Clinton tells us that all but one of 18 "serious" economic studies of the North American Free Trade Agreement argue for congressional approval. I see no reason to doubt it. But, having studied some economic theory, I presume that compelling theoretical arguments can be made against as well as for this historic pact with Mexico and Canada.

The issue is probably more intelligibly framed in historical, or if you like mythical, terms. For there is one supremely powerful myth, historically compelling, that says "yes" to NAFTA.

It goes this way: After World War I, the United States rejected not only the peace treaty but the international mechanisms, including the League of Nations, designed to police it.

In that staid international system, an inward-looking nationalism and protectionist policies were the watchwords. Soon a brief and hectic prosperity gave way to a deep, persistent worldwide depression.

After World War II, a quarter-century later, a chastened generation of American leaders heeded the bitter lesson of the earlier wartime aftermath. With the British, we Americans designed and sponsored the development of international lending institutions, to assist recovery and to generate capital development. We espoused free trade, in the

form of reciprocal trade agreements under the General Agreement on Tariffs and Trade. We assumed financial responsibility for the devastated nations, especially in the Marshall Plan, "the most unselfish act in human history," as Winston Churchill called it.

Thanks to the resulting flow of labor, aid, capital, technology, raw materials and goods across international borders, the industrial West — and more recently the Asian rim — experienced an unprecedented boom.

Free trade principles applied regionally produced similar effects, notably in the European Community. The Community began with a pooling of coal and steel resources on the Continent soon after the war; it has now evolved, under the Maastricht treaty, into an entity that is beginning to resemble, somewhat, a United States of Europe. And it continues to evolve. Compare the Europe of 1993, with all its frictions, to the Europe of 1933 and the improvement is monumental.

Thus the myth. There may be flaws in it, but it embodies the beliefs that the Western community has lived by, with occasional backslidings, since 1945.

If we set aside the inconclusive quibbling over the short-term effects of NAFTA and view it as a continuation, in the Western Hemisphere, of the post-1945 experience, it is hard to see why anyone would seriously oppose it. Like all dynamic factors (computerization or robotics, for further instances), borders open to the free flow of labor and capital will cause dislocations. There is no point in denying it. But the rewards should more than offset them.

Any competitive system, whatever its scale, offers "comparative advantage."

meaning that each competitor produces what it can produce most cheaply and trades that good or commodity with others operating on the same principle. Eventually all benefit. If it were the aim of economic policy to freeze current arrangements in place, productive change would always be sacrificed to a struggle for stability. And since change will come anyway, whether we like it or not, we would lose both ways.

NAFTA is debatable. But why would the sitting American president and all five living former presidents, and 41 of 50 state governors, favor a trade agreement that they thought injurious to American workers? Are they all out of step, and only Ross Perot and Pat Buchanan in step?

NAFTA is to be feared only by a nation too ill-trained, unenergetic and unimaginative to compete in the world's developing markets. The United States has never been that kind of country, and is not that kind of country now. The easy way to make it that kind of country is by crawling into a shell of protectionism and shrinking from the future.

Washington Post Writers Group

A Pact for Cheap Labor

NAFTA would help U.S. companies invest more freely in Mexico, essentially to allow multinationals to exploit that country's cheap labor and lax environmental and safety enforcement. It is an investment agreement, not a trade agreement. It would destroy jobs and depress wages in the industrialized United States and Canada while doing nothing to advance the poverty-level wages and living conditions paid by U.S. employers to workers in Mexico.

— Thomas R. Donahue, secretary-treasurer of the AFL-CIO, commenting in The Baltimore Sun.

LETTERS TO THE EDITOR

Who's a Warlord?

Why is General Mohammed Farrah Aidid constantly referred to as the "Somali warlord," while Radovan Karadzic is simply a "Bosnian Serb leader"? What must one do to make warlord status? Must one be black? Or perhaps anti-American? Or is it just that Mr. Karadzic's campaign of murder, rape, ethnic cleansing and siege has been so successful as to command the world's respect?

DANIEL KOFMAN, Jerusalem.

Mother of All Peace Prizes

Regarding the report "For PLO Leader, a Showdown" (Sept. 9): William Drozdiak writes that the Palestine Liberation Organization's financial crisis, caused by its support of the Iraqis in their invasion of Kuwait,

may have helped drive it to making peace with Israel.

If one takes this idea to its logical conclusion, we are indebted to the Iraqis for the peace agreement between the PLO and Israel. Will the Iraqis now claim the Nobel Peace Prize?

GEORGE H. BRASSLOFF, Saint-Aygulf, France.

Beijing, Sydney and Rights

Regarding "For a Sydney Olympics" (Letters, Sept. 10) from L. W. Lane: I am in total agreement with the writer's praises of Sydney as a city in which to hold the 2000 Olympics. As a venue, Sydney is unsurpassed in natural beauty. I am confident that if Sydney wins the right to stage these Games, the organizers would do so in a highly professional and successful manner. On that basis, I actively support the Sydney bid.

A number of people, including your correspondent, have commented that Beijing should not be allowed to stage the 2000 Olympics on the basis of repeated human rights violations. Should China be denied the Olympics on the basis of human rights violations, I suggest that perhaps Australia should be similarly excluded.

For a number of reasons, including the fact that Australia is a "white" and Westernized country, human rights violations here are not regularly reported in the media, in Australia or abroad. Strict so-called defamation, libel and national security laws prevent local media from reporting abuses, while the foreign media usually take little interest in such matters in Australia.

But human rights abuses are rife in Australia and are comparable to those documented in China. The majority of aborigines are forced to live in conditions that make a street kid in New York look positively wealthy. Living in squa-

lor under sheets of tin on the outskirts of towns, they are deprived of the means with which to support themselves. Furthermore, the police and other government agents regularly detain and beat aborigines as they see fit, completely without risk of reprimand or punishment. Aborigines have been detained by the police and then found hanged in their cells. In spite of numerous condemnations from Amnesty International, this practice continues, and few if any police officers have been charged in connection with these innumerable deaths.

Whites, too, suffer at the hands of corrupt and totalitarian government agents. Illegal detention followed by torture is remarkably common in Australia, which tells the world that it is civilized. Critics of the government are prime targets. After a colleague attempted to expose large-scale government corruption in the state of Victoria, he was arrested and detained — with no reason given —

for three months; he was subjected to physical torture and attempts to have him certified as insane. In New South Wales, a police officer who exposed his commissioner as corrupt was declared "insane" and fired. These are not isolated cases, but widespread practices.

Corrupt judges, magistrates and other officials perpetuate the system, with remarkably few being publicly exposed as corrupt until after retirement or death.

RAYMOND T. HOSEY, Doncaster, Victoria, Australia.

Watching the River Flow

Regarding the report "For Peres, Zen and the Art of Politics" (Sept. 20): Shimon Peres, the Israeli foreign minister, said he had become a Buddhist in recent years. He explained that he now understood that the river is never the same. "It changes with the water flow,

all the time. The banks may remain the same, but never the water."

Mr. Peres does not need a Buddhist reference. The Greek philosopher Heraclitus said: "You could not step twice into the same river, for other waters are ever flowing into you."

Heraclitus is also famous for saying: "The war is the father of all things."

MICHAEL FLAEMIG, Frankfurt.

Centuries-Long Trek

Colman McCarthy writes eloquently of the Dominican nuns farming in New Jersey (Meanwhile, Sept. 17). He compares Genesis Farm to the Trappist monasteries sought out by medieval pilgrims. That would have been a big trek for those pilgrims: The Trappist order was founded in the late 17th century.

ROBERT F. ILLING, Bortol.



La Flamme - Ref. 4815/L. Water-resistant to 25 m. Yellow gold 18-carat.

PATEK PHILIPPE GENEVE

Israelis In Tunis For Talks

Team to Discuss Refugee Parley

Compiled by Our Staff From Dispatches
TUNIS — An official Israeli delegation arrived in Tunis on Monday, the first such visit to Tunisia, and received a subdued reception by the authorities who have provided a base for the Palestine Liberation Organization since 1982.

The three Israelis, an advance team preparing for a conference on refugees next month, were met by junior officials from the Tunisian Foreign Ministry and the PLO. Israel and the PLO signed an accord Sept. 13 in Washington on Palestinian self-rule in parts of the occupied territories.

The Tunisian Interior Ministry banned photographers from recording the delegation's arrival and old reporters they could not speak to the three Israelis.

Tunisia and Israel have no diplomatic relations but Tunisia agreed earlier this year to act as host for the refugee conference, which is part of the multilateral talks begun in the Middle East peace conference in Madrid in 1991.

PLO sources said the Israelis would stay about one week, spending the first part of their visit with the Tunisians and the second part with the PLO. The PLO has been based in Tunis since the Israelis drove the organization out of Beirut in 1982.

Israeli planes attacked a PLO building south of Tunis in 1985, killing 75 people, including 12 Tunisians. In 1988, an Israeli team assassinated a PLO leader, Abu Jihad, in Tunis.

The PLO leader, Yasser Arafat, was set back Monday in his efforts to extend his authority in the occupied territories when the underground leadership of the Palestinian uprising attacked his faction for ignoring an agreement with Israel that it said ignored basic Palestinian demands.

It was the first response issued by the Unified Command since the Israel-PLO accord was signed. The



King Hussein and Yasser Arafat exchanging greetings Monday in Amman, Jordan.

command has directed the five-year uprising against the Israeli occupation. All PLO factions, including hard-line opponents of the plan, are represented in the leadership.

"The agreement reached between a branch of the PLO and the Zionist enemy does not meet the minimum of the demands that were raised by our masses when the uprising started," the leaflet said. "No Israeli withdrawal has been achieved, no recognition of the Pal-

estinian national rights, no establishment of a Palestinian state and no freeze and removal of the settlements."

The leaflet said the agreement would not mean an end to the struggle against the occupation.

"Let all our activities be against the occupation forces and the settlers," it said, referring to the 120,000 Jews living in the West Bank and the 4,000 in the Gaza Strip.

SYRIA: 'No One but Israel Has Gained' From Accord, Assad Contends

Continued from Page 1

denis. "When they demand in the West and Israel that we silence these groups," he said, "we say, 'Let Rabin silence Likud.'"

Israel's main rightist Likud party has also opposed the agreement.

Mr. Assad said he could not stop battles from erupting between Palestinian opponents of the plan, such as the militant group Hamas, and the PLO.

"The possibility that problems will occur between them is a real

one," he said. "The subject is not as simple as Arafat makes out."

"Syrian mediation in this matter could not happen," he added.

Mr. Assad also said that Mr. Arafat had been "too quick to react" to the Israeli offer and was now trying to "limit the damage." And he repeatedly attacked Mr. Arafat for going ahead without consulting other Arab leaders.

"Collective action is better than individual action and gives a better outcome," he said.

"Israel gives very little to the

group that stands alone and what it gives today it will take back in the future."

Mr. Assad went on to compare Mr. Arafat's actions with those of Anwar Sadat, who negotiated the Camp David accords with Israel that left Egypt ostracized and reviled in the Arab world for nearly a decade. But he warned that Mr. Arafat did not have the power of Mr. Sadat, who was assassinated in 1981 by Islamic militants.

Mr. Assad said that in receiving Mr. Arafat in Damascus after the

AID: Conference Called

Continued from Page 1

must be translated directly and visibly into real progress on the ground."

He said that high unemployment in Palestinian areas had to be addressed, in addition to housing, roads, public administration, tax collection and social services.

Mr. Christopher called on President Bill Clinton to appoint a committee of Jewish- and Arab-Americans to devise "joint projects and private investment" in the region.

In reviewing the forces that led to the Israeli-PLO reconciliation, Mr. Christopher cited the demise of the Soviet Union as one key.

The old Soviet policies, he said, "emboldened radicals, intimidated moderates and left Israel, save for the friendship of the United States, in a lonely state of siege."

He noted that only Egypt had moved to make peace during the Cold War and called last week's reconciliation a "vindication of Egypt's courage and vision."

Mr. Christopher called on political leaders in the region to keep the peace process alive not only on paper but also in the fundamental psychology of Middle Eastern affairs.

"The leaders of the region must exhort those who have used violence as a tool to renounce it without reservation or exception," he said.

"It is also imperative that quick action be taken to remove the other vestiges of a bygone era. This means revoking, at the upcoming session of the United Nations General Assembly, those United Nations resolutions that challenge Israel's very right to exist."

(Reuters, AFP, AP)

Azerbaijan Back in the Fold

Continued from Page 1

MOSCOW — Azerbaijan's parliament, looking to Moscow and other former Soviet partners as it grapples with war and other grave problems, voted on Monday to rejoin the Commonwealth of Independent States.

Deputies in the capital, Baku, voted 31 to 13, with one abstention, to return their Transcaucasian state to the Commonwealth fold.

The decision bore the stamp of Azerbaijan's new leader, Geidar Aliyev, a Soviet-era veteran who returned to power after President Abulfaz Elchibey fled a revolt in June.

Mr. Aliyev, a former member of the Soviet Politburo, assured deputies before the vote that he did not support the revival of the Soviet Union.

"I am personally against the revival of the former U.S.S.R. and the Communist Party of the

Soviet Union, and I will do everything possible to lead Azerbaijan on the course of gaining real independence," he said.

"Azerbaijan will not allow any encroachment on its sovereignty."

Mr. Aliyev contends that ending Azerbaijan's isolation from the 10-member grouping will help to restore economic links and to stop the conflict with Armenians from the disputed territory of Nagorno-Karabakh.

In another important step, the parliament approved joining a Commonwealth security pact to which Armenia is also a signatory.

Azerbaijan joined the Commonwealth of Independent States at its inception in 1991, but Mr. Elchibey, who saw Turkey as Azerbaijan's natural ally, withdrew from the Russian-dominated grouping.

POLAND: Leftists Expected to Stay on Reform Path

Continued from Page 1

in Poland's future. "It's one of the pillars of development," he said, adding that his party backed tax-breaks for foreign investors among other policy changes.

He said predictions that his government would simply print money in order to help the growing number of unemployed and elderly poor were wrongheaded and "simply idiotic."

"We know what a budget is and we know that the money is going to have to come from somewhere," he said.

Mr. Orszek said he met Monday with Waldemar Pawlak, the head of the Polish Peasants' Party, a former puppet organization of the Communist Party. The Peasants' Party took second place in Sunday's vote.

Official projections say the two parties will win 301 seats out of the 460-seat lower house of parliament, or Sejm. The third-place Democratic Union is expected to win only 69, while the fourth-place Labor Union, which is also leftist, is projected to take 42.

Earlier Monday, the leader of the

centrist Democratic Union, Tadeusz Mazowiecki, the first prime minister after communism's collapse, ruled out joining any government with the former Communists, setting the stage for a leftist-led state.

Damian Damians, a Warsaw-based Western banker, said that even if a leftist government wanted to reverse the reforms they would have a hard time.

"The state of the economy doesn't give a lot of leeway," said Mr. Damians, who heads the Warsaw office of International Finance Corp., the private-sector lending arm of the World Bank.

First, under an agreement with the International Monetary Fund, Poland must keep its budget deficit to around 5 percent of its gross domestic product in order to benefit from a loan forgiveness program worth tens of billions of dollars.

Secondly, a large percentage of the economy already functions outside of the government's control. Official estimates say that 60 percent of the work force is employed by private companies that produce more than half of the country's

output. But a large number of economists here believe that Poland's booming private "gray market" is actually much larger and is really the key to the country's future.

A recent government study said that Poland's estimated growth rate for 1993 of 4 percent, the highest in Europe, should be revised upward to 5 percent because of "gray market" growth.

No government — able to control, centrist or rightist — is left to restrict these entrepreneurs who produce off the books to avoid taxes, smuggle goods to avoid tariffs and pay their workers in cash so they, too, can avoid taxes.

And among the ex-Communists, there are many who have benefited from the "gray market."

przemyslaw Sekula, a former deputy prime minister under Communist times and a victorious candidate on Sunday, is now an important figure in Poland's oil importation business and a converted believer in the free market.

Asked if he believed in higher taxes, the businessman replied bluntly: "Me? No!"

BOOKS

READING FOOTBALL: How the Popular Press Created an American Spectacle.

By Michael Oriard. 319 pages. \$29.95. University of North Carolina Press.

Reviewed by Murray Sperber

IN these cost-conscious times, when even university presses try to make money, authors must ask themselves: Who will buy my book and why? Michael Oriard confronts this question in the introduction to his "Reading Football: How the Popular Press Created an American Spectacle" and aims his work at three disparate and probably irreconcilable audiences.

He wants academics to read his book for his cultural studies approach to American sports; he advises historians of sports to study his original research into the popular press of late 19th-century America; and he asks sports fans to enjoy his discussion of the early period of American football.

Unfortunately, this tripartite appeal does not succeed (for starters, academics tend not to buy books — they get them for free or photocopy them). The cultural studies people will disparage Oriard's ground-zero capsule history of their field and his many nontheoretical chapters. The sports historians will like his research but reject his English professor's stress on reading documents — including the rules of football — as various kinds of narrative. And football fans will wonder about an author who tells them to skip chapters, implying that they are either too poorly educated or too dim to understand the material.

Despite its faults, "Reading Football" is an important book, containing constant insights into and extremely useful information about an under-researched period in American football, 1880-1913, as well as its fast-forward to the game's current situation.

Oriard, a professor of English at Oregon State University and a former pro football player, offers the single best explanation of the growth of college football from its campus origins at elite Eastern col-

leges to its first "Big Game" — the annual Thanksgiving Day matches in the New York metropolitan area between Princeton and Yale in the 1890s, events that attracted as many as 40,000 spectators and generated major press coverage.

He argues convincingly that the symbiosis between journalism and football began in this period and explains how the New York press cued regional newspapers on the new phenomenon, spreading the sport throughout the country.

Coinciding with the growth of college football (and professional baseball) was the invention of the newspaper sports section by Joseph Pulitzer and William Randolph Hearst. Oriard discusses this in great and interesting detail.

He also offers an abundance of photographs of newspaper and magazine pages from the period. He wants to re-create the 1890s "reading experience." Unfortunately, although the drawings in the book reproduce well, the original text is usually too small to decipher, and the reader must depend on the author's extensive quotations from the sports pages and such writers of the period as Walter Camp and Caspar Whitney to catch the flavor — and the lunacy — of the times.

Oriard is always nonjudgmental. For him, writers spin narratives; some of his storytellers stressed early football's "manliness," others emphasized its class component, and the critics told another tale.

This leads him to discount the corruption of football's first period. In a long discussion of Pop Warner's Carlisle Indians, he con-

cludes, "Carlisle thus represented both the savage and the noble savage in the Anglo-American imagination at the turn of the century, a dialectic as old as the first European encounters with New World peoples."

That might or might not be true. However, the unassailable facts are that Pop Warner was one of the great buccaneer coaches of the era, openly paying his "Athletic Boys," scheduling long moneymaking tours for his team, personally pocketing part of the gate receipts, and betting heavily on his own and other games. A congressional investigation in 1914-15 ended his Carlisle career and led to the closure of the school.

This particular narrative — some would call it an indictment — does not appear in Oriard's work. As in his other writings, he mainly views college football benignly. More-over, its history is only a story. His attitude will make sense to cultural studies people, but sports historians prefer a more positivist approach. Meanwhile, the fans relish the reality of the sport and buy books and video tapes featuring football's most brutal "hits." As a person who experienced the violence of the game during his playing days at Notre Dame and in the NFL, Michael Oriard's subsequent cultural relativism is part of his personal story, but it also produces this unusual, substantial, but flawed work.

Murray Sperber, the author of "Shake Down the Thunder: The Creation of Notre Dame Football," wrote this for The Washington Post.

WHAT THEY'RE READING

• Nancy Risque Robb, political consultant, is reading: "Wonderful Life: The Burgess Shale and the Nature of History," by Steven Jay Gould.

"It's all about the catastrophe theory of the world. The first 11 chapters are all about worms, and hard to follow... [but] the first two chapters and the last two chapters of the book are fascinating." (K. Niel Cukier, IHT)



CHESS

By Robert Byrne

Chiburdanidze's unorthodox 7 Qe2!? in this Sicilian Defense prepared for queenside castling and pressure on the d line.

On 11 Ne5!?, Larsen judged that 11...Be8 12 g4 b6 13 Nh3 Be6 14 g5 Nb5 15 Rg1 Nf4 16 Bf4 e7 17 h4 would be in White's favor. After his 11...d6, Chiburdanidze obtained the bishop-pair with 12 Ne6 fe and planned operations against the doubled e pawns.

Larsen could not storm the center with 14...d5? because 15 Bh3 Qd6 16 Be6! Qe6 17 ed Qc8 18 dc Qc6 19 Bg5 would leave him a pawn down.

Chiburdanidze attacked on the light squares with 16 f5! This permitted Larsen to counterattack with 16...Qa5!? 17 fe!? b4 18 Qc4!? bc 19 e7 d5 20 ef/q Rf8 21 Qc6 Qa2, but he refused the opportunity considering that Chiburdanidze could have exposed it as unsound with 22 bc Qa3 23 Kd2 Ne4 24 Kd3.

The Dane's alternative, 16...b4, let Chiburdanidze regroup with 17 Ne4 Qa5 (17...Ne4?! 18 fe Qa5 19 Qe4 Ne4 20 Rd4 ed 21 e7 d5 22 ef/Q Rf8 23 Qd4 Qa4 24 Be6! Kh8 25 Bd5 Nf6 26 Ba8 Ra8 27 Kbl puts White a pawn ahead while denying Black any counterplay) 18 b3. On



CHIBURDANIDZE/WHITE Position after 20...Ne4

18...Qb5 (18...Ne4? was now to be punished by 19 Bd6 Ne3 20 Qh5 Qb5 21 Bf1, which traps the black queen) 19 Qf3, Larsen could not play 19...d5? because of 20 fe Ne4 21 Qf7 Kh8 22 Bf1 Qb8 23 Rd5.

Larsen aimed for counterplay with 20...Nd4, hoping for 21 Bd4! ed 22 Rd4 Qe5 23 Rhd1 g6 24 Bb3 Ne4 25 Bg2 d5. Chiburdanidze, however, crossed him up with a nice sacrifice of rook for knight with 21 Rd4! ed 22 Bd4, after which the white pieces dominated the position and she had gotten a pawn.

She launched a mating attack with 26...d5, but it was too late. Chiburdanidze's 27 Qh3! prepared to answer 27...dc? by 28 Bf6 h6 29 Qh6.

After 27...h6 28 Ne5, Chiburdanidze's attack could not be repulsed: of the white minor pieces were aimed at the black king. Larsen tried 28...Be5, but Chiburdanidze would not permit the exchange of her killer Qb for its black counterpart.

After 30 g5!, the black king position was disintegrating. Larsen played 30...Ne4 and Chiburdanidze delivered the coup-de-grace with 31 Qh6! gh 32 Nf7 Kg8 33 Nh6 mate.

SICILIAN DEFENSE			
White	Black	White	Black
Chiburdanidze	Larsen	Chiburdanidze	Larsen
1 Nc3	e5	16 f5	Qe6
2 Nf3	c6	17 Qe2	Qa5
3 Nc3	nc6	18 Bf4	Ne4
4 e4	cd	19 Qc6	Be5
5 Ne4	ed	20 Qh3	Ra8
6 Bg2	Nf6	21 Rd4	Rd5
7 Qe2	g6	22 Bd4	Ne4
8 Nf3	Be7	23 Rhd1	Ra8
9 Bf1	O-O	24 Bb3	Be5
10 O-O	Be8	25 Bg2	Ne4
11 Nc3	ed	26 d5	Qb5
12 Ne4	cd	27 Qh3	h6
13 Bf4	g5	28 Ne5	g5
14 Nf3	g6	29 Qh6	h6
15 Nc3	Qd6	30 Ne4	Ne4
16 f5	Qa5	31 Qh6	mate

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After Deng, Will China Last?

Report to Leaders Cites Risk of Breakup

Agence France-Press

BEIJING — China will break apart like Yugoslavia soon after Deng Xiaoping dies unless the central government takes drastic steps to halt a rise in regionalism, an internal report here warned.

The report, obtained by Agence France-Press, also proposed adopting a U.S.-style federalist system that would reshape the Chinese parliament into a more democratic institution and create a legal framework for handling conflicts of interest between Beijing and the provinces.

The 86-page report, written by two influential scholars and printed by the Chinese Academy of Sciences, predicted a power struggle between Beijing and the provinces as well as interprovincial clashes.

It was distributed to government leaders and senior lawmakers, who have drawn heavily on its analysis and borrowed many of its suggestions, knowledgeable Chinese sources said.

With Mr. Deng, the country's paramount leader, nearing 90 years of age, the report has caused a commotion by predicting for the first time what has long been whispered in private — the assertion of economic federalism by the provinces is driving the country toward upheaval.

"Until now policymakers have not realized the danger of the central government's rapid decline of power, or they have, and have come up with no effective way to halt the trend," said the report, titled "Strengthening Central Government's Leading Role Amid the Shift to a Market Economy."

"If a 'political strongman' dies, it is possible that a situation like post-Tito Yugoslavia will emerge," the report said.

"In years, at the soonest a few and at the latest between 10 and 20, the country will move from economic collapse to political breakup, ending with its disintegration," it said.

The report contended that Beijing had given too much power to the provinces after Mr. Deng began market-oriented reforms in 1978, and especially since the sudden shift to a market economy last year, which resulted in an economic free-for-all by provinces accustomed to four decades of central planning.

The report stresses an economic weakening of

Beijing's control as the fuse of collapse rather than the ethnic divisions that tore apart Yugoslavia.

China's economy may be booming, the report said, but state revenue is being withheld from Beijing, resulting in a "weak center, strong localities" setup.

It said that by the year 2000, state revenue would account for only 11.3 percent of gross national product, or one-third the amount when Mr. Deng's reforms were begun 15 years ago.

Evidence has emerged to back the report's bleak scenario.

Zhu Rongji, executive deputy prime minister and head of the central bank, has acknowledged that the central government was on the verge of bankruptcy before he began a drive to reimpose economic order three months ago, high-level Chinese banking officials said.

"Zhu said in a recent speech that at the worst moment, the central coffers had only tens of millions of yuan left," one official said. One yuan equals about 0.17 dollars.

"It was to the point where Beijing did not even know if it could pay wages," the official said.

The report, written by a political scientist, Wang Shaoguang, and an economist, Hu Angang, said that the essential task for Beijing was to overhaul fiscal policy, especially the "severely flawed" taxation system, which it said cost Beijing staggering losses of more than \$17 billion each year.

It advocated abolishing the current system, under which Beijing negotiates annually with the provinces on the percentage of tax revenues to be transferred to the central government. In its place, separate federal and local taxes would be introduced, greatly reducing provincial bargaining power.

Although the report did not propose a return to state planning, it pointed out that a "market economy does not mean an end to government interference."

In order to head off expected provincial resistance, the report said, China would have to borrow on the model of the U.S. Congress by allowing provinces voting rights to participate in and veto central-government policy, although Beijing could retain final veto power.

CHINA: Olympic Ploy?

Continued from Page 1

the largest crackdown on pro-democracy dissidents in more than two years.

This would begin with secret trials next month to sentence 17 people jailed last year for free-speech-related crimes.

While Chinese officials have made no public mention of the trials, judicial authorities have told family members of the defendants that they should try to retain lawyers, Chinese and Western human-rights groups said.

In some cases family members were shown hills of indictment, but the authorities refused to provide them with copies of the documents.

By scheduling these trials in October, the government may have been trying to spare itself criticism in advance of a vote on Thursday by the International Olympic Committee on Beijing's bid to host the 2000 Olympic Games.

On Monday, two human-rights organizations condemned the trials.

The New York-based Human Rights Watch "called on the Chinese government to drop the charges and unconditionally release all those arrested for the non-violent expression of their political views."

Similarly, the group Human Rights in China, also based in New York, criticized Chinese authorities for failing to show any progress to improving the country's human-rights record while demanding that the international community confer on Beijing the honor of being host of the 2000 Games.



Wei Jingsheng speaking with reporters on Monday at his parents' apartment in Beijing.

All of the jailed dissidents are believed to be members of pro-democracy and labor reform organizations that sprung up in secret after the 1989 military crackdown on the mass student movement that formed at Tiananmen Square.

"If the trials go ahead as planned in October," said Robin Munro,

director of the Human Rights Watch unit, Asia Watch, in Hong Kong, "it would be the largest cluster of political prosecutions since the trials of the alleged 'black hands' of the Tiananmen Square movement began in early 1991."

"The Chinese leadership appears to be deliberately postponing these

trials until after the decision of the International Olympic Committee is announced," he said.

Mr. Wei, in his meeting with reporters, was asked whether there had been any preconditions to his release.

"If there is any precondition, I would not accept it," he replied.

Japan's Socialists Elect a Moderate to Lead Them

Washington Post Service

TOKYO — Tomiichi Murayama, considered a moderate, breezed to election Monday as chairman of Japan's Social Democratic Party, averting possible difficulties for the coalition government led by Prime Minister Morihiro Hosokawa.

Mr. Murayama's election as party head means that the coalition still has strong backing from the Socialists. He has promised continued support for Mr. Hosokawa's government, and specifically for the package of political reform

measures that Mr. Hosokawa has made the focal point of his government.

Mr. Murayama's opponent in the party election, Masatoshi Itoh, represents the most liberal wing of the Socialists, a wing that has opposed Mr. Hosokawa's reform plan. If Mr. Itoh had won, or even run strongly, in the balloting held over the weekend, it would have been a serious threat to the viability of Mr. Hosokawa's government.

The Socialists, with 73 members of the lower house of the Diet, or parliament, comprise the biggest

single party in Mr. Hosokawa's seven-party coalition.

Mr. Itoh got about 20 percent of the party votes. Even that much opposition could be dangerous for Mr. Hosokawa's reform package because his coalition's majority is thin.

But Mr. Murayama, the new party chairman, pledged forcefully Monday to support the coalition position. He said the Socialists were committed to the reform plan, and would vote for the hills when they come to the floor.

Mr. Murayama, 69, will replace Sadao Yamahana. Mr. Yamahana,

another moderate, was essentially forced to resign as party chairman after the Socialists lost nearly half their Diet seats to the national election in July.

The Socialists were traditionally a liberal, labor-oriented party with strongly pacifist foreign policy views. But the party now is controlled by a more moderate corps of younger members who call themselves the "New Wave." These members are generally supportive of the new coalition government, and they were the strongest supporters of Mr. Murayama in the party election.

Mr. Murayama, 69, will replace Sadao Yamahana. Mr. Yamahana,

Japan Apologizes on British POWs

The Associated Press

TOKYO — Prime Minister Morihiro Hosokawa of Japan apologized Monday to Prime Minister John Major for British suffering at Japanese hands in World War II.

But Mr. Hosokawa rejected any direct compensation for former prisoners of war who were used as slave laborers. The lawyer for a group of 12,000 former POWs seeking \$340 million in damages said he was disappointed.

Mr. Hosokawa said he expressed "deep remorse" for Japan's actions during the war, including brutal treatment of the estimated 57,000 British POWs captured by Japan.

The two prime ministers, in a joint news conference, said a 1951 peace treaty settled compensation and other war issues. But they left open the prospect of some nongovernmental action later.

The Japanese Labor Camp Sur-

vivors Association is seeking \$20,000 per person for the atrocities its members endured.

Mr. Major said he made "plain the strong feelings that exist in Britain about the issue of the former prisoners of war."

"While we recognized that immediate solutions were not possible," he said, "we agreed to keep closely in touch about this matter, and contacts will therefore continue."

ANGOLA: A Tragedy Deepens Amid Broken Peace

Continued from Page 1

War as an anti-Communist, rejected the results and resumed the civil war the following month.

The UN special representative to Angola, Alioune Blondin Beye, has estimated that 1,000 people are dying a day from the war and related disease and starvation, and has described this conflict as the world's worst current tragedy, surpassing even Somalia, Bosnia and Cambodia.

Anecdotal evidence suggests that his figures are probably exaggerated. No one knows for sure, because no government officials, international representatives or relief agencies have access to enough of the country to count.

Last week, the UN Security Council voted unanimously to embargo oil and arms sales to Mr. Savimbi's movement, the National Union for the Total Independence of Angola, or UNITA. The embargo, which is to take effect Saturday, is a rare instance of a UN sanction targeting something other than a sovereign government.

Few diplomats expect the embargo to affect the military situation, which already appears to be shifting in the government's direction. Rather, it is intended to tighten the political screws on UNITA, which has become an international pariah since renewing the war.

The embargo and a flurry of other diplomatic activity is expected to result in at least a temporary truce starting Monday, but neither side appears ready for a permanent cease-fire or substantive talks. There is a growing view here that the end of the conflict is months, perhaps years away — a point that Mr. dos Santos underscored last week in an address in which he called for full-scale mobilization.

At the moment, UNITA holds four of Angola's 18 provincial capitals, is besieging four others and is blocking the dos Santos government from administering roughly two-thirds of Angola's territory and one-third of its population.

Western military analysts say the government's best hope is to reconstitute an army, eventually drive UNITA guerrillas away from the cities and back to the bush. There, UNITA could remain a long-term

nuisance, but — politically isolated — could not sustain a full-scale civil war.

"The only solution quicker than that would be a bullet to Savimbi's head," said one observer here. Mr. Savimbi remains an outsized populist demagogue who, even in his current international fall from grace, is a far more vivid figure than the painfully shy Mr. dos Santos.

Humanitarian aid from other nations is only a fraction of what the UN has judged necessary. A UN appeal this year for \$226 million in assistance to war victims drew pledges of only \$68 million. The United States is the biggest donor and says it will spend about \$90 million on relief efforts here this year.

There is debate over the extent to which the United States and UN have a moral obligation to forge a peace. Mr. Beye's predecessor as UN representative here, Margaret Anstee, has criticized the UN — and by implication the United States — for unwillingness to send in a peacekeeping force.

In an unusually blunt letter to a British newspaper two weeks ago, she argued that "the symbolic force of blue helmets" would have enabled her to mediate a deal during peace talks in Abidjan, Ivory Coast, earlier this year. The talks collapsed in May over the timing and mechanics of UNITA's withdrawal from territory it has occupied since the election.

After being routed in the early fighting, the government has begun slowly to recoup militarily. It has a column advancing on Huambo, Mr. Savimbi's symbolic capital. Using airdrops, it has been able to resupply 1,000 to 2,000 encircled soldiers in Cuito, a central provincial capital that has been under siege since January. An estimated 18,000 people have been killed in Cuito, the bloodiest battle of the war.

The government has renewed a

India Rocket Fails After Launching

Agence France-Press

NEW DELHI — India's most powerful space rocket, the Polar Satellite Launch Vehicle, failed Monday after a spectacular launching, the Press Trust of India said.

The four-stage, 280-ton rocket soared from Sriharikota, north of Madras. The agency said that the first three stages performed as expected, but that the fourth stage malfunctioned.

The rocket was to launch an 850-kilogram (1,870-pound) remote-sensing satellite with a payload built by the German space agency to gather information on terrain and clouds.

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British Tourists Have Crashes in Bus and Plane

Reuters

PARIS — Sixteen British tourists whose double-decker bus crashed in northeast France, killing 2 passengers and injuring 42, survived a second accident the next day when a plane hired to fly them home crashed during an abortive takeoff.

A British Embassy spokesman in Paris said five people were hospitalized with bruises and shock after the plane overran the runway at the Troyes airport on Sunday, crashed through a barrier and ended up nose down in a field. The plane never left the ground.



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Uganda

A Special Report

Royal Pomp and Realpolitik

Special to the IHT
KAMPALA — In July, Ronald Muwenda Mutebi, a former salesman in London and old boy of Bernonsey public school, attained his true calling in life when he was crowned Ssabasajja Kabaka of Buganda. The new king, 37, clad in leopard skins and a \$45,000 gold-embroidered gown supplied by Ede & Ravenscroft of Chancery Lane, robesmaker to royalty, had beforehand paid a visit to the umhlichord of his late father, Sir Edward Mutesa.

It is kept wrapped in bark cloth in a but under the watchful eye of the Kibugwe, the Keeper of the King's Umbilical Cord. Tradition dictates that the Crown Prince takes it into his hands to show the unbroken line of kings, said to date back to the 13th century.

Kings are in vogue these days in Uganda. Patrick Otim, once a tax hroker and more recently ambassador to Cuba, has been reinstated as king of Toro. The ceremony was attended by his sister, Princess Elizabeth, better known for her resilient career as former President Idi Amin's foreign minister, ambassador to the United States and her bit part as a witch doctor in the movie "Sheena, Queen of the Jungle."

The Kyabazinga has already been reinstated as traditional ruler of Busoga. This November, Prince Solomon Iguru is to be crowned the 27th Omukama of Bunyoro. And in August, the Iremangoma was restored as king of the Rwenzururu. All this royal pomp was unleashed when President Yoweri Museveni pushed a bill through parliament in mid-July sanctioning the reintroduction of monarchies. The move was calculated to outflank the supporters of the politically contentious issue of multiparty democracy. The allegiance of the Baganda, who

number about a quarter of the population, is crucial if Mr. Museveni, a Banyankole, is to succeed in installing the one-movement system that he advocates.

Members of the opposition political parties point out that the resurrection of the monarchies should have been postponed until it could be discussed in the constituent assembly in 1994, a forum specifically designed to seek a consensus on constitutional issues. However, in his opening speech to parliament earlier this year, Mr. Museveni justified the hasty legislation by claiming that repression of monarchies was an abuse of human rights.

Mr. Museveni also said that the Baganda should be rewarded for their loyalty before he became president. During the five-year bush war against former President Milton Obote that brought the National Resistance Movement government to power, many Baganda joined the rank and file of the then rebel National Resistance Army.

survey indicates that 40 percent of Bagandans are for it.

It is members of the older generation who form the core of federal thinking. They recall that the Kabaka's father, known as King Freddy, was made head of state under a federal constitution at independence in 1962. Four years later, Mr. Obote, then the prime minister, decided to demolish the Bagandans' growing political aspirations and ordered his troops to storm the king's palace. Sir Edward fled to Britain and a republican constitution that abolished the monarchies was promulgated.

The new king, a novice in the cut and thrust of politics, is aware that the role he is expected to play is a non-executive one.

However, Bagandan political ambition lies close to the surface. The finance minister, Jubah Mayanja Nkangi, heads the Lukiko parliament. Asked if this presented a conflict of interests, Mr. Mutebi replied, "Hopefully, he will be talking first as a member of the Lukiko and then as a cabinet minister. I think that's how allegiances have to work."

Mr. Mayanja Nkangi, who was appointed to the cabinet as a nominated member of parliament after he lost in the 1989 elections, is also head of the Conservative Party, a reincarnation of the Kabaka Yekka (King Only) party, which flourished under Sir Edward. Any demonstration of ethnic partisanship could draw accusations that the Bagandan monarchy is trying to destabilize central government.

It could also inflame the historical antagonism between Northerners and Southerners. The Northerners, who are Nilotes, have traditionally paid fealty to chiefs, while the Bantu Southerners were historically divided into the kingdoms of Buganda, Bunyoro, Toro and Ankole. Mr. Obote, seen as the



Ronald Muwenda Mutebi, the Kabaka of Buganda.

architect of the abolition of the monarchy of his forefathers. What has been reinstated is a cultural head of the Baganda. He should not do anything to antagonize other Ugandans.

Mary Anne Fitzgerald

Western Aid Donors Endorse The Tough Economic Options

By Mary Anne Fitzgerald

KAMPALA — This month an IMF mission has given the nod for disbursement of the final \$28 million of an Enhanced Structural Adjustment Facility, and donors have conferred over releasing \$13.4 million to pay for the next phase of paring down the civil service. A World Bank mission is preparing for the second phase of military demobilization and yet another World Bank mission has assessed an AIDS program with the brief that it is to be implemented as quickly as possible.

The lowest, between President Yoweri Museveni and Western donors, unanimously committed to Uganda's economic turnaround after decades of state-authored violence and devastation, continues.

Just as well. The country would be hamstringing without the annual flow of \$500 million in concessional funding that has been guiding the economy away from the uncontrolled expenditure, rampant inflation and declining GDP that was the legacy of previous regimes.

"Uganda is a leading light in the region," said Mark Elyne, the Kampala-based representative of the International Monetary Fund. "It's doing the economic reforms that Western governments like to support. Museveni is one of the few leaders who has made hard decisions and seen them through."

It is this thinking that has fueled Western generosity. At the consultative group meeting of donors in May this year, Mr. Museveni asked for \$630 million in assistance. Donors pledged \$830 million although this sum is unlikely to be absorbed this financial year. Concessional finance underwrites half of the budget annually. There is every indication it will continue to do so for many years to come.

Western enthusiasm for Uganda stems from the perception that the National Resistance Movement's performance to date validates their programs in Africa, where diligence in carrying out reform has been poor. Mr. Museveni, in marked contrast to most other African heads of state, seems determined to opt for hard rather than soft options, often jeopardizing his own political standing by doing so.

Over the past two years he has bulldozed several contentious bills through parliament. They include the return of Indian-owned properties expropriated by former President Idi Amin and the planned demobilization of just over half the army. Last year some 22,000 soldiers were returned to civilian life. Another 10,000 will leave the barracks over the next 12 months.

This year Mr. Museveni pushed through another divisive bill that allows for the divestiture of state-controlled companies, despite opposition protests that he was "selling the silver out of the cupboard." In addition, nearly 48,000 civil servants, the majority teachers and casual employees, will have their jobs terminated. Just under half of them will be paid off by the end of this month.

However, development strategy is not all a bed of nails. The World Bank-led \$71 million Northern Uganda Reconstruction Project will eventually rebuild the north, shattered by years of war, even though it is a year behind schedule. A \$125 million Financial Sector Adjustment Credit should go some way to stimulating domestically sourced investment by giving the central bank a greater regulatory role and levering up commercial bank capitalization. At present, about half the loan portfolio is nonperforming.

The economic performance over the past year is noteworthy. Gross domestic product grew by 7 percent, inflation plummeted from 64 percent to a negative rate, and the money supply increased by 40 percent. Bank lending rates dropped from 40 percent to below 30 percent.

This was achieved following the appointment of a non-nonsense management team to the Ministry of Finance and Economic Planning 18 months ago. Coordination between the ministry and the central bank has also been strengthened.

Despite the tremendous strides that have been made, external forces conspire against automatic growth. In 1992, after a drought, GDP growth was under 2 percent, demonstrating how deeply the weather impacts on the economy. Agriculture provides more than half of national output and is considered the economic engine of growth.

Marketing of coffee, soon to be followed by cotton, has been deregulated to allow world market prices to reach the farmer. Even so, declining output and falling prices mean that this once reliable foreign exchange earner is no longer the backbone of revenue. Coffee's value has dropped from \$117 million to \$100 million and recovery is not in sight.

With no established export earner to take up coffee's slack, the value of goods imported has swollen to 3.5 times more than the value of exports.

Agriculture provides more than half of national output.

THE budget deficit has been contained by curbing expenditure, foreign borrowing and debt rescheduling. Government planners have urged bilateral donors to divert development finance to assist with arrears repayments on the multilateral debt. They argue that knocking off the debt overhang will solve the balance of payments problem. Some donors have complied.

There is no question that exemplary budgetary discipline has yielded results in restructuring the economy. But at what cost? Many residents of Kampala can afford only one meal a day. And critics say that Western commitment to economic reform rides roughshod over Uganda's social needs. Privately, high-level civil servants agree.

If economic dividends do not emerge soon, the donor-government symbiosis may begin to falter.

This year's IMF mission was reportedly tougher than usual in ensuring that expenditure is contained. Meanwhile, many Ugandans concur they are beginning to pay the price for Mr. Museveni's hard options.

Victories in the Campaign to Demilitarize Society

Special to the IHT

KAMPALA — Former Private Osewu Noah is a school dropout whose leg was amputated after being wounded in action against the 1987 rebel insurgency. But despite his physical and educational handicaps, he earns a comfortable living as a smallholder farmer and trader.

Mr. Noah, who is from Tororo in eastern Uganda, is one of the success stories of the government's program to demobilize roughly half of its standing army. So far, nearly 23,000 soldiers have been demobilized. As many as 50,000 may ultimately return to civilian life over the next three years.

Like others in the veterans assistance program, Mr. Noah was given transportation to his home and a series of cash payments totaling \$500 to enable him to start a new life.

Perhaps more than any other of the reforms being carried out by the National Resistance Movement regime, this pruning of the military will have a far-reaching impact on the national psyche. Postindependent Uganda's many and varied leaders have in the past shown a preference for rule by the bullet rather than the ballot.

The NRM in some part perpetuated this tradition. After seizing power in 1986, the National Resistance Army absorbed a large part of the Uganda National Liberation Army it had defeated within its ranks. It was a shrewd strategy to indoctrinate former military opponents. At the same time, the bloated army was used to quell scattered rebel activity and shore up the demoralized police force.

With armed political opposition a phenomenon of the past, the soldiers' departure from the barracks is a clear signal that at last the country is moving onto a peacetime footing.

"We are in transition," said Major General Ely Tumwine, a long-standing senior officer in the NRA and head of the veterans assistance program. "It's a sign of

what's happening in our society — less emphasis on the military and more emphasis on political activity. People are going back to their [traditional] means of income."

Demobilization will also be reflected in the economy as a valuable new work force revitalizes output at the district level. Three quarters of the veterans are between 20 and 40, their most productive years. One-third have a secondary school education.

A lean, and professional, army should undoubtedly cost the country less even though salaries are to be raised by 50 percent before the year is out. Expenditure on defense and internal security has been trimmed back from 45 percent of the budget when the NRM came to power to 30 percent last year. This year the military has been allocated about a fifth of recurrent expenditure.

However, overspending and allegations of corruption among high-level officers persist. A quarter of the arrears carried forward into this year's budget comes under defense.

PRESIDENT Yoweri Museveni is unlikely to pursue military malfeasance through the courts, however. As his power base, he relies on the military for support should a political crisis occur. And the role it plays in government remains considerable. The army sits on all groups responsible for policy and legislation. It has also been guaranteed 10 seats in the upcoming constituent assembly.

Neither must the necessity of defending national borders be discounted. Relations with four of Uganda's neighbors, Sudan, Kenya, Rwanda and Zaire, have been marred by unrest. Only Tanzania, used as a conduit for arms when the NRA was fighting the "bush war," that brought it to power, is a reliable ally.

The greatest threat to internal stability is posed by Sudan, where civil war rages on Uganda's northern border. Last month a government offensive against southern

guerrillas brought the Sudanese Army to within 13 miles (21 kilometers) of Uganda. The influx of 90,000 refugees fleeing the fighting was accommodated with the help of humanitarian organizations. But there is concern among politicians and military officials that should the various factions of the rebel Sudan People's Liberation Army collapse, Sudanese troops will spill across the border.

Iran has given military support to the Sudanese leader, General Omar Hassan Ahmad Bashir, in return for using Sudan as a base for terrorism and as an axis for the spread of Islamic fundamentalism. Sudanese MiGs and Antonovs have dropped bombs on Ugandan territory on three separate occasions during the past two years.

Asked if the government has the capability to defend itself against possible Sudanese aggression,

General Tumwine replied, "Not as much as we would want to right now. But if they cross, we can deal with them. We are very conscious of our defenses."

Uganda intends to purchase anti-aircraft guns and other military hardware, General Tumwine said. Independent sources believe that ground-to-air missiles have been included on the shopping list.

Mary Anne Fitzgerald



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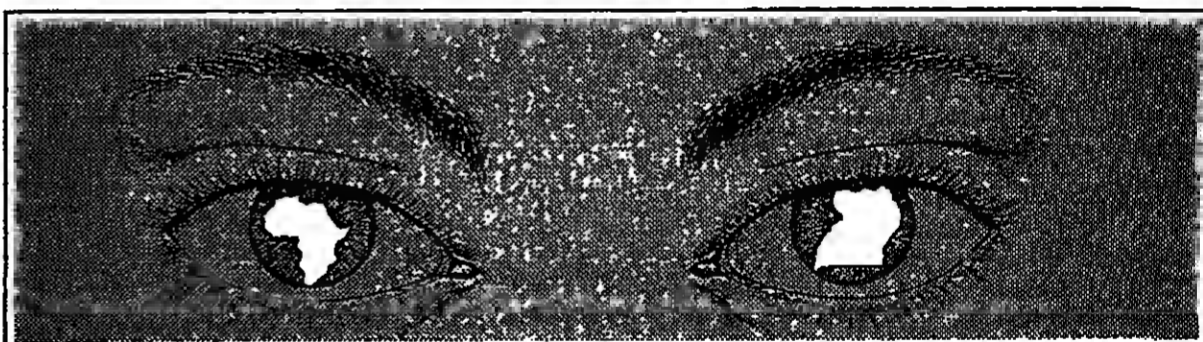
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When you focus your eyes to Africa for investment, Uganda is the Country to look at... because of its recent Public Enterprises Reform and Divestiture... PERD.



Public Enterprises Reform and Divestiture (PERD) program was established in 1991 as the implementing agency of the Uganda Government responsible for carrying out the Enterprises Development Program which is jointly financed by the Government of Uganda and the International Development Association (World Bank) Washington.

Among its objectives the Public Enterprises Reform and Divestiture Programme (PERD) has to reduce the public sector, improve performance of the remaining Public Sector Enterprises, and the financial burden on the treasury and generate revenue from privatisation sales. This would lead to the promotion and development of a vibrant, market-led private sector.

The Government of Uganda cordially invites serious investors wishing to purchase partially or wholly our Public Enterprises (PEs) as well as professional management contractors for those Enterprises the Government will retain. This is why Uganda Government needs foreign investors to invest in Uganda, where everything has been put in place... a unique (the best of its kind) investment code with commensurate incentives... suitable political environment, financial (exchange rates) stability of the shilling, personalised understanding of every buyer/investor, careful, long and meticulous preparations by PERD, positive consultations and public support.

STRATEGY

The Uganda Government has classified those Public Enterprises it will keep under its control, with majority or minority shareholding, those PEs which will be privatised, and those which will be liquidated. As a result 101 commercially oriented public enterprises have been grouped into five classes. (contact PERD for more details).

PROGRAM

To achieve the above objectives of Divestiture and of improving the performance of public enterprises the Government has sponsored the public reform and Divestiture program through sector - wide studies and planning to identify the most effective means of bringing about such achievement.

POLICIES

The Government of Uganda is aware that the effectiveness of Divestiture Program in attracting investors will depend upon the overall investment climate as well as the attractiveness of the sales package for a particular public enterprise. Also, the government has taken measures to improve the investment climate in Uganda. Therefore, Government proposes to ensure investor interest in divestiture by:

- (i) Selecting public enterprises for divestiture that are attractive investments or potentially profitable;
- (ii) Ensuring that new owners would have access to term finance for rehabilitation of the Public Enterprise;
- (iii) Autonomy to manage the operations on fully commercial lines;
- (iv) Freely permitting funds held abroad by Ugandans/investors to be used for acquiring equity in divested Public Enterprises; and
- (v) Ensure adequate competition to public enterprises by not restricting entry of other enterprises into similar activities; and prompt the development and introduction of suitable regulatory mechanisms by the supervising concerned ministries to promote private investment.

In conclusion, any investor who will participate in the divestiture of PEs program in Uganda would exploit unlimited opportunities that exist in Uganda today. The success of PERD's programs need a supporting hand from serious foreign and local investors... therefore, turn your eyes to Uganda: "... a country poised to be a success story in Africa..." to quote the IMF representative in Uganda.



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CROWN BOTTLERS LIMITED is enjoying the biggest share of the soft drink market in the country, a market that is steadily growing by the day.

Yamamoto's Artful Shirts

By Suzy Menkes
International Herald Tribune

PARIS — From the shoulders of its skeletal wire coat hanger hangs a limp white shirt, five buttons, one pocket, flat collar, narrow cuffs. So? A shirt is a shirt. Not if it comes from the scissors of Yohji Yamamoto. Then it is an art form.

The Japanese designer is a high priest of minimalism for the cult following that he has built up since he first showed his pure, spare clothes in Paris a decade ago. Back in the early 1980s the asymmetrical cut dresses, the black jackets, the signature white shirts and black jumper dresses were labeled Alternative Fashion — a contrast to the sexually predatory and conspicuously glamorous clothes that came to be identified with the 1980s.

Now that all that gilt has turned to guilt, Yamamoto's design spirit looks visionary. The white shirt has become the symbol of the 1990s New Deal, and modernism has once again become fashion's byword.

"This is the eternal question — what is modern?" Yamamoto says. "I am the type of designer when everything has to be new, adventurous, a challenge. I am always saying to myself 'deny your past!' — even if it was a so-called success. There is no other way to make a show."

Those 40-plus shows, for men and women, have been explorations of themes, occasionally baffling, always intriguing and never playing to the gallery of photographers who will boo and hiss at a parade dominated by sober black. There is a sense of stretching the boundaries of fashion, deliberately destroying the symmetry of clothes and making wrapped garments seem not independent structures but responses to the body's shape and movement.

Yamamoto, who turns 50 next

month, is opening a new store this week in the Rue de Grenelle on the Left Bank in Paris. At the same time, he is launching two other stores called Y's — collections for men and women dedicated not to a relentless pursuit of the avant-garde, but to the fundamentals of his design. Y's was the business that he set up in Tokyo in 1972 with simple styles that are the basis of his financial success. The company turnover in 1992 was nearly 13 billion yen (about \$101 million). Yamamoto is both the favored designer of people working in the arts and a member of their world. His friend the German film director Wim Wenders made a film about him in 1989. And last summer, he worked with the director Heiner Müller, designing costumes for "Tristan und Isolde" at Bayreuth.

"Sometimes I'm terrified by this word 'cult' — I don't like it," he says. "I've always said to myself that I am free. If my fashion is

The designer is a high priest of minimalism.

about identification, I really feel sorry."

The Y's collection, widely distributed in Japan, and already on sale in France in Aix-en-Provence and Nice, is Yamamoto's style reduced to its essence, affordable and consumer friendly: navy gabardine coats at 2,400 francs (about \$428) and long raincoats, impeccably cut with the precision learned from his training at Tokyo's Bunka fashion college. There are slim jackets, plain or pinstriped (from 2,200 francs), pants wide or narrow; wrap dresses lapping the body or long ribbed knit dresses (1,650 francs); signature white shirts with mother-of-pearl buttons, also in sky blue this season (450 to 650 francs). The idea of the clothes is that they are layered as the wearer chooses — a 1990s concept that Yamamoto instigated.

"I am very interested in cut. I am interested in simple, sharp shapes for men and women," he says.

"When I was young, I felt Japanese, but I didn't notice, until I started working outside my country," he says. "I realized that after the second world war we have been looking for our own Japanese face. I feel that we lost it."

He cites Kenzo Takada, Issey Miyake and Rei Kawakubo (a personal friend) as fellow Japanese de-

signers trying to show "another beautiful side" of a country that is seen generally as an economic entity with "people looking all the same." Yamamoto says the Tokyo-based designers form a group but that "the way of expression and reaction to each single point is different."

What unites them is a fashion philosophy that contrasts with the search for change and novelty fundamental to Western designers. It is rooted in Japan's 300-year cultural isolation during the Edo period; in the flat-form kimono that wraps the body, rather than molding clothes to it; and maybe in some deeper Zen Buddhist attitude to life.

Yet the real strength of Yamamoto's work seems to come from the fusion of East and West: a different way of looking at clothes but using traditional techniques. The 1990 winter collection was directly inspired by Pierre Cardin and the modernism of the 1960s.

"I wanted to step inside European history," he says. "I remembered when I was a student at dressmaking school and studied Pierre Cardin. I made so many copies — it was quite natural for me to memorize that moment — the modern construction of clothes."

The current winter collection is a homage to classic tailoring, with its focus on dark gabardine illuminated with basted white stitches and with an interlining showing at the lapels.

Yamamoto says he is not a tortured spirit, but quite the opposite — "a very joyful person." He describes his daughter Rimi, with a merry grin, as "very sexy." She is studying fashion at Esmod in Tokyo while his son Yuji works in the company with Y's for men.

The overwhelming impression of the slight designer, in his black silk shirt and dark pants, is one of asceticism. His Tokyo home is spare and plain. His flagship store in Tokyo and the Paris shops are temples of minimalism, with their gray walls, rectangular fittings and geometric staircases, punctuated by flat, quiet clothes.

Yamamoto's last collection — menswear in July — was shown in a convent building — a parade of shirts which in their precise tailoring and gauzy fabrics seemed drawn from Japanese architecture, which uses light as an integral element. They were also perfectly proportioned, simple, wearable shirts that are emblematic of no-fuss fashion for modern times.

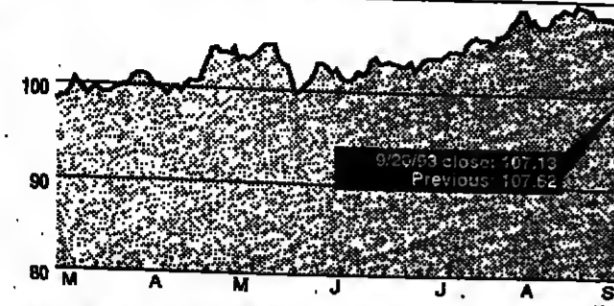
Latest creations of the Japanese couturier Yohji Yamamoto (below) include his long blouse-jacket over his signature asymmetric dress (center) and a long kimono-shaped coat.



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THE TRIB INDEX: 107.13

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Region	Approx. Weighting	Close	Prev.	% Change
Asia/Pacific	25%	124.35	125.33	-0.8%
Europe	40%	105.54	105.75	-0.2%
N. America	35%	92.07	92.48	-0.4%

Industry	Close	Prev.	% Change
Energy	104.78	105.00	-0.2%
Utilities	113.11	113.08	+0.03%
Finance	118.04	118.43	-0.3%
Services	115.30	115.81	-0.4%
Capital Goods	101.92	102.99	-1.0%
Raw Materials	108.78	104.26	+4.5%
Consumer Goods	89.89	90.47	-0.6%
Miscellaneous	108.91	110.07	-1.1%

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 101 Avenue Charles de Gaulle, 92291 Neuilly Cedex, France.

Diller Makes \$9.5 Billion Offer for Paramount

NEW YORK—QVC Network Inc. bid \$9.5 billion for Paramount Communications Inc. on Monday, topping a friendly \$7.5 billion offer from Viacom Inc.

QVC's chairman, Barry Diller, is a former executive of Paramount, and he had been widely expected to lead a bid. QVC, which offers televised home-shopping services, said it was bidding \$50 and 0.893 of its shares for each Paramount share. At its closing price on Monday, QVC's offer was worth \$80 a share.

Paramount's stock rose \$1.25 per share, to \$69.75, on the New York Stock Exchange. The bid by QVC, whose stock rose \$3.50, to \$56 a share, was announced after the market closed.

Viacom is offering Paramount shareholders \$9.10 a share for each of their shares, 0.1 share of Class A Viacom common stock and 0.9 share of Class B Viacom stock.

That offer was initially valued at \$8.2 billion, or \$69.14 a share, including \$9.10 in cash. But Viacom's shares have dropped in the past week and traded on Monday at \$9.25, off 62.5 cents. At that price, the offer is worth about \$7.5 billion.

Amid rumors of the impending bid, Paramount and Viacom issued a statement affirming their Sept. 12 agreement. They said, "No hostile takeover bid will be permitted to obstruct the well-considered and well-studied judgment of the boards of directors of Paramount and Viacom that the merger of the two companies will create for their shareholders a global media entity unparalleled in the entertainment world."

The Deal, a Resilient Art

Mergers Make Wall Street Comeback

By Michael Quint
New York Times Service

NEW YORK—The mergers and acquisitions business is booming again in the United States, with a flurry of recent deals whose size recalls the heady days of the 1980s.

More than \$142 billion worth of deals has been announced thus far this year, and while that is far short of the record \$264 billion of 1988, the pace is picking up. In the last week alone, at least eight deals of more than \$100 million were announced—in addition to the proposed \$8.2 billion takeover of Paramount Communications Inc. by Viacom Inc.

Because many Wall Street professionals are also helping companies spin off unwanted businesses to shareholders and are handling the record number of new stock offerings, many financiers say they are as busy as they were in the 1980s.

Others of the recently proposed takeovers include American Telephone & Telegraph Co.'s \$12.6 billion agreement with McCaw Cellular Communications Inc. and Merck & Co.'s \$6 billion accord with Medco Containment Services Inc.

With little growth in the economy, said Jeffrey R. Sechrest, managing director for mergers and acquisitions at Lehman Brothers, "companies that have already cut costs dramatically and improved their profitability are looking for new ways to grow and deciding that the best approach is to acquire other companies in the same line of business."

whatever technologies win the slugfest in the communications business industry.

In the health-care field, Mr. Solomon said, mergers like that of Merck, a drug maker, with Medco, a wholesale drug distributor, "will do more to reduce expenses and make that industry more efficient than anything that Congress could ever do by legislation."

Besides craving the economic power that comes with size, companies are realizing that they are free to pursue ambitious deals now that they have swept away

the debt that once cluttered their balance sheets.

"Companies see their stock price is relatively high, their balance sheet is cleaned up and cash flow is good," said Jack Levy, co-head of the mergers and acquisitions group at Merrill Lynch. "And it makes them feel confident and ready to reach for more."

McCaw, the largest company in the cellular phone business.

On another front, the Federal Trade Commission asked Merck and Medco a few days ago to provide more information about their proposed merger.

For companies willing to take the plunge, the environment could not be more friendly. Whatever means of financing acquirers are hoping to use, John Zaccary, a managing director at Bankers Trust, said, "There is right now a high degree of certainty that deals will be successful."

With the stock market near a record high, sellers command high prices, but buyers can pay by issuing new, highly priced shares. And to the limited extent that debt is used, interest rates are lower than they ever were in the 1980s. Banks are more willing to lend than they have been in recent years, and investors are absorbing record amounts of junk bonds.

Even though the debt is cheap, companies are still doing their best to avoid accumulating such a burden. In contrast, in the 1980s many deals were mere financial exercises. Acquirers borrowed vast sums to buy companies, which were then dismembered or flogged to death to repay their debt.

U.S. Phone Calls Take to the Airwaves

By Edmund L. Andrews
New York Times Service

WASHINGTON—America is about to start coming awired.

A decade after cellular telephones first captured the hearts of the hurried and the well-to-do by letting them stay plugged in without being pinned down, the federal government is about to clear the airwaves for an expansion of wireless offerings more sophisticated than anything available today.

On Thursday, after four years of work, the Federal Communications Commission will adopt rules that will create three to six new wireless networks in every American city and town. Bringing stiff new competition and probably a steep plunge in prices, these services are expected to reach millions of new customers.

The first of these new wireless networks could be working in less than two years, and could offer prices half those of cellular services. Over the longer term, many industry experts predict, the wireless phones could replace a high percentage of those now tethered to copper wires.

That could be a mixed blessing, freeing people from their desks yet chaining them to their jobs. Indeed, cellular companies are already building computerized systems that can automatically track a person's movements anywhere in North America, so the same telephone number will reach a person's desk phone or

pocket phone where he or she roams. People will run, but they may not be able to hide.

But more than mere phones are on the horizon. Using the digital electronics of computers, the new "personal communications services" will be capable of sending data, images and perhaps even video to an expanding family of nomadic computing devices—palm-size computers, electronic notepads and what some people call mutant devices that combine the features of a telephone, computer and pager.

The technology for advanced wireless services has been tested at length, and computer companies are already rushing to market with handheld devices that communicate over cellular frequencies.

The risks are huge: no one knows just what consumers will be willing to pay for the technology is still new, and it will cost billions to build the new networks nationwide. But virtually every big communications company is angling for position and lining up capital.

White House Disputes Fed on Rates

By Steven Greenhouse
New York Times Service

WASHINGTON—Leading economists in President Bill Clinton's administration have rejected a suggestion by officials of the Federal Reserve Board that a cut in short-term interest rates should not be considered because it might cause a speculative bubble in stock and bond prices.

The economists said current near-record prices in the stock and bond markets in no way constituted a bubble. They said these were a valid response to the lower interest

rates that have resulted from lower inflation and Mr. Clinton's efforts to reduce the federal budget deficit.

"We at the Treasury have not been concerned about speculative bubbles," Alicia Munnell, assistant Treasury secretary for economic policy, said. "It's true stock prices are high, but if you look in the real estate area, commercial values are way down, and family homes are down in value. You don't see an economy-wide speculative bubble."

In interviews last week, David W. Mullins Jr., the Fed's vice chairman, and Lawrence B. Lindsey, a governor of the central bank, expressed fears that further rate cuts could cause a surge in investment that would push financial markets to unjustifiable levels, setting the stage for a plunge. But Mr. Mullins added that current stock and bond prices did not appear excessive.

Traders said the central bankers' remarks helped push down the bond market late last week because they were read as hints that the Fed's next move might be to raise, not lower, interest rates.

In other responses from administration officials, J. Bradford DeLong, a deputy assistant Treasury secretary, said: "I was surprised people would talk about a speculative boom in the bond market. They were saying things I would not expect people to say."

Alan Blinder, a member of the President's Council of Economic Advisors, added, "Given the gradual nature of the rise of the stock market with the gradual brightening of U.S. economic performance and the lowering of long-term rates, there doesn't seem to be a great disjuncture between stock market values and economic fundamentals."

The argument appears to represent a tug of war between conservative Fed officials trying to build a case against lower rates, and perhaps a case for higher ones, and the administration, which is eager to reduce unemployment and trying to build a case against higher rates.

[Some private economists said the Fed was likely to back away from any moves to raise rates when its Federal Open Market Committee meets Tuesday.

Bank of Japan To Slash Rate To Record Low

By Steven Brill
Herald Tribune Service

TOKYO—The Bank of Japan will cut its discount rate by 0.75 percentage point Tuesday to an all-time low of 1.75 percent, Japanese news agencies reported earlier in the day.

But the reduction is unlikely to provide much boost to the Japanese economy nor take steam out of the high-flying yen, analysts said.

Jiji Press and the Kyodo news agency said the latest reduction in the discount rate, which has been at a record low of 2.5 percent since February, was to be announced after an extraordinary meeting of the central bank's policy board.

On Monday, the semipublic broadcaster NHK reported that Yasushi Mieno, the bank's cautious governor, would cut the rate to 2.0 percent after the meeting.

The cut, the seventh since July 1991, would come on the heels of Thursday's 6.15 trillion yen (\$59.1 billion) spending package and the announcement of measures to de-regulate the economy.

The double-punch effort would make life easier for Prime Minister Morihiro Hosokawa, who will hold his first summit meeting with President Bill Clinton on Monday in the United States. It also would buy goodwill for Mr. Mieno and his partners at the Finance Ministry, who will confer with Group of Seven colleagues in Washington on Saturday.

But few believe the prescription is strong enough to restore health to an economy in which gross national product contracted at an annual rate of 2.0 percent in the second quarter, when business

confidence is at its lowest level in 18 years.

"It's not sufficient and everyone knows it," Peter Morgan, senior economist at Merrill Lynch in Japan, said of the measures and any half-point cut in the discount rate. "So the focus is on what's next: the income tax cut and how soon they can deliver it."

Only income tax cuts—Washington, Japanese business leaders and most private-sector economists agreed—have a chance of rousing private consumption that comprises 57 percent of GNP. But the coalition government has so far been unable to lower taxes, because of opposition from Finance Ministry bureaucrats made anxious by slumping revenues and dead set against deficit-financing.

Even with record-low interest rates, Japan's huge current account surplus, on track to exceed \$130 billion this year, will keep upward pressure on the yen, said Richard Koo, senior economist at the Nomura Research Institute. Still, as long as Mr. Hosokawa's administration continues efforts to battle bureaucrats opposed to income tax cuts and market opening, Washington is likely to provide support by intervening to keep the dollar above 100 yen.

"Central banks never want to be defeated once they intervene," Mr. Koo said, referring to actions last month by the Federal Reserve Board when the yen threatened to pierce the 100 level. "My sense is that these rates will prevail for awhile, but the ball is in the Japanese court."

The key test will be whether the fragile coalition government can deliver the cut in income taxes.

Thinking Ahead

Narrow-Mindedness and NAFTA

By Reginald Dale
International Herald Tribune

WASHINGTON—Suppose, heaven forbid, there were a Mexican multimillionaire called Ross Perot, who wanted to lead a populist crusade against the North American Free Trade Agreement. He would probably find it even easier than his counterpart in the United States.

Plumbing the depths of more than a century of ingrained anti-Americanism, Mr. Perot might ask how such a relatively poor country as Mexico could hope to survive in open competition with the world's largest economy and only superpower.

After all, even highly developed Canada feared that its economy and its culture would be overwhelmed when it signed a Free Trade Agreement with the United States in 1988.

Mr. Perot could argue that thousands of Mexican jobs would be jeopardized by the dismantling of Mexico's remaining protection against the far more competitive industries and agriculture of the United States. And his case would be much sounder than the real Mr. Perot's, which is not that difficult an accomplishment.

wrong end of the telescope. As a result, much of the American debate so far has been chauvinistic, ignorant, politically charged and mean-spirited toward the rest of the world.

It he wanted to descend to that level, a Mexican Perot could (truthfully) raise the threat to Mexico's 2 million corn farmers, who are likely to be displaced by cheaper American corn and sent flocking to city slums.

He could stir up the thousands of workers already shed in the huge drive to privatize and open up the Mexican economy over the last few years.

He could play on the fears of Mexican small businesses, whose cozy cartelized relations with larger corporate clients may be disrupted by NAFTA. He could point out that several sectors of Mexican industry, such as machinery, electronics and perhaps even clothing, are directly threatened.

It is demeaning to hear American treaty opponents whine about the threat.

There is, of course, no Mexican Ross Perot. There has been no groundswell of opposition to NAFTA in Mexico. And, unlike its American equivalent, the Mexican Congress has already approved the deal.

Part of the reason is the dominant influence of Mexico's ruling party, the PRI. And partly it is because Mexico has a less sophisticated statistical base on which to build economic arguments.

But a large factor in the equation is that Mexicans have been much quicker than most Americans to grasp the big picture—to understand NAFTA's historic and global implications.

CURRENCY & INTEREST RATES

Sept. 20

Sept. 20

Cross Rates	1 Month	3 Months	6 Months	1 Year
Amsterdam	1.811	1.775	1.750	1.725
Brussels	1.622	1.575	1.550	1.525
Frankfurt	1.622	1.575	1.550	1.525
London	1.622	1.575	1.550	1.525
Madrid	1.622	1.575	1.550	1.525
Milano	1.622	1.575	1.550	1.525
Paris	1.622	1.575	1.550	1.525
Tokyo	1.622	1.575	1.550	1.525
Zurich	1.622	1.575	1.550	1.525

Key Money Rates	1 Month	3 Months	6 Months	1 Year
1-month	3 1/2%	4 1/4%	4 1/4%	4 1/4%
3-month	3 1/2%	4 1/4%	4 1/4%	4 1/4%
6-month	3 1/2%	4 1/4%	4 1/4%	4 1/4%
1-year	3 1/2%	4 1/4%	4 1/4%	4 1/4%

United States	Close Prev.	Bank	Rate
Discount rate	3.00	Bank base rate	4.00
Prime rate	4.00	1-month interbank	5 1/2%
Federal funds	3 1/2%	3-month interbank	5 1/2%
1-month CD	2 1/2%	6-month interbank	5 1/2%
3-month CD	2 1/2%	1-year interbank	5 1/2%
6-month CD	2 1/2%	1-year T-bill	7.00
1-year CD	2 1/2%	1-year Treasury bill	7.00
1-year Treasury bill	2 1/2%	1-year Treasury note	7.00
1-year Treasury note	4.00	1-year Treasury bond	7.00
1-year Treasury bond	4.00	1-year Treasury Inflation Protected Security	7.00
2-year Treasury note	4.00	2-year Treasury bond	7.00
2-year Treasury bond	4.00	2-year Treasury Inflation Protected Security	7.00
3-year Treasury note	4.00	3-year Treasury bond	7.00
3-year Treasury bond	4.00	3-year Treasury Inflation Protected Security	7.00
5-year Treasury note	4.00	5-year Treasury bond	7.00
5-year Treasury bond	4.00	5-year Treasury Inflation Protected Security	7.00
10-year Treasury note	4.00	10-year Treasury bond	7.00
10-year Treasury bond	4.00	10-year Treasury Inflation Protected Security	7.00

Other Dollar Values	Per \$	Per 100	Per 1000
Amsterd.	1.622	162.2	16220
Brussels	1.622	162.2	16220
Frankfurt	1.622	162.2	16220
London	1.622	162.2	16220
Madrid	1.622	162.2	16220
Milano	1.622	162.2	16220
Paris	1.622	162.2	16220
Tokyo	1.622	162.2	16220
Zurich	1.622	162.2	16220

Forward Rates	30-day	60-day	90-day
Amsterdam	1.811	1.775	1.750
Brussels	1.622	1.575	1.550
Frankfurt	1.622	1.575	1.550
London	1.622	1.575	1.550
Madrid	1.622	1.575	1.550
Milano	1.622	1.575	1.550
Paris	1.622	1.575	1.550
Tokyo	1.622	1.575	1.550
Zurich	1.622	1.575	1.550

Gold	A.M.	P.M.	Chge
Zurich	325.95	324.15	+2.10
London	325.50	324.00	+2.10
New York	324.00	323.00	+2.70

Source: Reuters, Bloomberg, Merrill Lynch, Egan & Jones, Citicorp, Citicorp Bank, Greenwald, Morgan, Grullon, Lyonnais.

Source: Reuters, Bloomberg, Merrill Lynch, Egan & Jones, Citicorp, Citicorp Bank, Greenwald, Morgan, Grullon, Lyonnais.

Source: Reuters, Bloomberg, Merrill Lynch, Egan & Jones, Citicorp, Citicorp Bank, Greenwald, Morgan, Grullon, Lyonnais.

Source: Reuters, Bloomberg, Merrill Lynch, Egan & Jones, Citicorp, Citicorp Bank, Greenwald, Morgan, Grullon, Lyonnais.

MARKET DIARY

Blue-Chip Stocks Beating a Retreat

Compiled by Our Staff From Despatches

NEW YORK — Blue-chip U.S. stocks, buffeted by concern about inflation and corporate earnings, plunged Monday, extending a retreat from all-time highs a month ago.

The Dow Jones industrial average of 30 leading stocks fell 37.45 points, to close at 3,575.80. Declining issues led advances by a 5-4 ratio on the New York Stock Exchange, where about 2.84 million shares changed hands.

A rise in commodity prices on Monday exacerbated worries that inflation may be heating up, a trend that would push up interest rates and hurt stocks. Concern over inflation was spawned last Tuesday, when the Labor Department said consumer prices rose a larger-than-expected 0.5 percent in August.

These developments reinforced the belief that the Federal Reserve Board would not cut interest rates, traders said. "The Fed might be more inclined to tighten than ease," said Richard Ciardulli, head trader at Eagle Asset Management Inc.

The Commodity Research Bureau's index of 21 key commodities, considered a barometer of inflation, jumped 0.95 to 216.27.

The benchmark 30-year bond fell 22 3/4 of a point, to yield 6.09 percent, up 5 basis points from Friday.

day and well above the record low yield of 5.84 percent set Sept. 8. At Monday's close, the Dow industrials sat about 2 1/2 percent below their all-time closing high of 3,652.09, set Aug. 25.

The market's "correction is not behind us," said Joseph Barthel, director of investment strategy at Fahnstock & Co. in Great Neck, New York.

Stocks were hit around midday by computer-guided sell orders, driven by concern that third-quarter earnings may be weaker than investors expected, traders said.

Aluminum Co. of America, Minnesota Mining & Manufacturing Co., and International Paper Co., among others, were down.

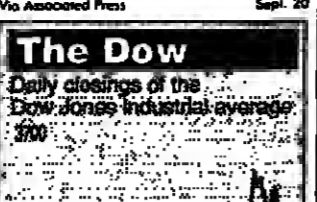
Bank stocks bucked the trend, with J.P. Morgan & Co. ending unchanged and Chemical Banking Corp. up 1/4 to 43 1/2.

Intel was up 1/4 to 6 1/4 in over-the-counter trading.

Both the high-technology and the banking sectors are widely regarded as indispensable to any market strength in coming weeks.

Glaxo Holdings was the second-most active stock on the Big Board, with its American depositary receipts up 1/4 to 19 1/4.

(Bloomberg, Knight-Ridder, UPI)



Daily closing of the Dow Jones Industrial Average

1989 1990 1991 1992 1993

NYSE Most Active

Table with columns: Vol., High, Low, Last, Chg., %Chg. for various NYSE stocks like IBM, GE, etc.

AMEX Most Active

Table with columns: Vol., High, Low, Last, Chg., %Chg. for various AMEX stocks like Ford, GM, etc.

NYSE Diary

Table with columns: Advancing, Declining, Unchanged, Total Issues, New Highs, New Lows.

Amex Diary

Table with columns: Advancing, Declining, Unchanged, Total Issues, New Highs, New Lows.

NASDAQ Diary

Table with columns: Advancing, Declining, Unchanged, Total Issues, New Highs, New Lows.

Dow Jones Averages

Table with columns: Open, High, Low, Last, Chg., %Chg. for Dow Jones Averages.

Standard & Poor's Indexes

Table with columns: High, Low, Close, Chg., %Chg. for Standard & Poor's Indexes.

NYSE Indexes

Table with columns: High, Low, Close, Chg., %Chg. for NYSE Indexes.

NASDAQ Indexes

Table with columns: High, Low, Close, Chg., %Chg. for NASDAQ Indexes.

AMEX Stock Index

Table with columns: High, Low, Close, Chg., %Chg. for AMEX Stock Index.

Dow Jones Bond Averages

Table with columns: Open, High, Low, Last, Chg., %Chg. for Dow Jones Bond Averages.

Market Sales

Table with columns: NYSE 4 a.m. volume, NYSE 9:30 a.m. volume, NASDAQ 4 a.m. volume, NASDAQ 9:30 a.m. volume.

N.Y.S.E. Odd-Lot Trading

Table with columns: Date, Buy, Sell, Short for NYSE odd-lot trading.

S&P 100 Index Options

Table with columns: Strike, Call, Put, Open, High, Low, Last, Chg., %Chg. for S&P 100 Index Options.

EUROPEAN FUTURES

Table with columns: High, Low, Last, Settle, Chg., %Chg. for European Futures.

Food

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Food futures.

Metals

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Metals futures.

Financial

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Financial futures.

Industrials

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Industrials futures.

Grains

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Grains futures.

Livestock

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Livestock futures.

Food

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Food futures.

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Table with columns: High, Low, Last, Settle, Chg., %Chg. for Food futures.

Stock Indexes

Table with columns: High, Low, Last, Settle, Chg., %Chg. for Stock Indexes.

Spot Commodities

Table with columns: Commodity, Today, Prev., %Chg. for Spot Commodities.

Dividends

Table with columns: Company, Dividend, Ex-Dividend Date, Yield for Dividends.

Dividends

Table with columns: Company, Dividend, Ex-Dividend Date, Yield for Dividends.

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Forecasters See More Slow Growth

WASHINGTON (Reuters) — The U.S. economy will continue to pick up at least through the end of 1994, with low interest rates doing little to stimulate growth, a group of private economists said Monday.

In its quarterly forecast, the National Association of Business Economists also predicted that inflation would remain low and that there would be little decline in unemployment, which was 6.7 percent last month.

Valley Fashions to Buy Rest of Unit

WEST POINT, Georgia (Bloomberg) — Valley Fashions Corp. said it would buy the 5 percent of West Point-Pepperell Inc. that it does not own, to enable the two companies to reduce their combined \$1.1 billion debt.

Valley Fashions said it would purchase the 1.48 million publicly traded West Point shares. Terms were not disclosed.

Nike's First-Period Profit Fell 7%

BEAVERTON, Oregon (AP) — Nike Inc. said Monday that profit in its first quarter fell 7 percent from a year earlier, largely because of increased taxes and unfavorable exchange-rate moves.

The maker of athletic shoes said net income for the quarter ended Aug. 31 was \$114.1 million, or \$1.49 a share, compared with \$122.6 million, or \$1.60 a share. Revenue grew 1 percent, to \$1.1 billion from \$1.0 billion.

Motorola Buying Radio Tag Maker

SCHAUMBURG, Illinois (AP) — Motorola Inc. said Monday it has acquired Indala Corp., a San Jose, California-based manufacturer of radio frequency cards and tags used for vehicle identification and industrial automation.

Terms of the deal were not disclosed. Indala's tags are encoded with identification numbers that can be recognized by sensors at a distance without physical contact. Such tags are used to allow authorized cars and trucks to drive into a security area without delay, to mark storage pallets, and to sort laundry for large organizations like hospitals.

Wang Reorganization Confirmed

BOSTON (AP) — Wang Laboratories Inc. emerged from Chapter 11 on Monday, after just over a year under bankruptcy-law protection, as U.S. Bankruptcy Court Judge William C. Hillman confirmed Wang's reorganization plan.

The company plans primarily to sell software and services, giving up most of its computer-hardware activities.

Williams Cos. Names Bailey CEO

TULSA, Oklahoma (Reuters) — Williams Cos. said directors elected Keith E. Bailey, the energy company's president, to succeed Joseph H. Williams as chief executive officer.

Mr. Williams, who has announced he will step down as chief executive on Jan. 1, will remain chairman until the annual meeting in May 1994, when Mr. Bailey will succeed him in that as well.

Weekend Box Office

LOS ANGELES — "Striking Distance," starring Bruce Willis, opened at the top of the U.S. box office this weekend. Following are the Top 10 moneymakers based on Friday ticket sales and estimated sales for Saturday and Sunday.

Table with columns: Rank, Title, Studio, Gross, %Chg. for Weekend Box Office.

Weekend Box Office

Table with columns: Rank, Title, Studio, Gross, %Chg. for Weekend Box Office.

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Mark Draws Strength As Dollar Rally Falter

Compiled by Our Staff From Despatches

NEW YORK — The dollar slipped against European currencies Monday after failing to hold above 1.62 Deutsche marks.

The yen fell, however, as dealers positioned themselves for an expected reduction in the Bank of Japan's discount rate.

The dollar fell to 1.6100 DM from 1.6140, but rose to 1.6140 from 1.6100.

David Wilson, a dealer at Giro-Credit Bank, said the dollar fell after failing to breach 1.6200 DM, considered a technical resistance level. "Then the reports came out regarding the likely BoJ rate cut tomorrow and the mark leapt against the yen, with the result that the dollar's fall accelerated," Mr. Wilson said.

Lisa Pazer, an analyst at MMS International said European central banks were thought to be selling dollars at around 1.62 DM in order to recover foreign-exchange reserves depleted during the currency crisis in late July.

The dollar traded as high as 1.6215 DM, session boosted by Sunday's setback of Germany's two biggest parties in elections in Hamburg. The results served to add political uncertainty to Germany's economic misery.

In addition, analysts said, hopes had been rising for German interest rates cut, lower inflation and slower money supply growth.

But Win Thin, an analyst at MCM CurrencyWatch, said, "Equally, the expectation now is that the Bundesbank will not cut German interest rates at this week's central meeting, contrary to some expectations last week." The mark got a lift from the change in expectations.

The dollar fell to 1.4015 Swiss francs from 1.4043 and to 5.6190 French francs from 5.6265.

The pound rose to \$1.5320 from \$1.5315.

Gold rose on the perception of revived demand from Asia and jewelers. The active December contract on the Commodity Exchange rose \$2.70 an ounce, to \$355.50. (APX, UPI, Bloomberg, Reuters)

WORLD STOCK MARKETS

Agencies: France Press, Sept. 20

Table with columns: Market, Index, High, Low, Last, Chg., %Chg. for World Stock Markets.

BNP Gives Payout Assurance

PARIS — Banque Nationale de Paris said Monday that an expected fall in the 1993 dividend per share will not exceed the decline in net profit despite an expected rise in the number of shares after a capital increase.

"The fall in the dividend per unit should not exceed the fall in overall profit, regardless of any future creation of shares or investment certificates," BNP said in a prospectus that accompanied the launch of the subscription period for its privatization.

Michel Pebereau, the chairman, said the number of BNP shares would grow to around 180,000 to 190,000 from 70,000 to 71,000 as a result of a two-for-one stock split to go into effect Tuesday and of a capital increase to finance the acquisition by BNP of a 49.9 percent stake in Financière BNP.

(AFP, Extel News)

U.S. FUTURES

See Associated Press, Sept. 20

Table with columns: Market, Index, High, Low, Last, Settle, Chg., %Chg. for U.S. Futures.

ASDAQ

Table with columns: Company, Price, %Chg. for ASDAQ.

Not Yet Bloomies, but GUM's Trying With Foreign Help, Moscow Emporium Is Flourishing

By Ann Insee
New York Times Service

MOSCOW—"Is it fresh?" a shopper asked, examining the tiny black eggs in a \$3.30 jar of caviar. "How should I know?" snapped the salesclerk, snatching the jar out of the customer's hand and returning it to a shelf.

A few steps away—though still under the vaulting glass roof of the famed GUM department store on Red Square—shoppers find a far different reception. After rummaging through brilliantly colored fashions at the Benetton shop, they saunter into fitting rooms—a luxury after years of shortages, when GUM shop windows listed the sizes in stock that day.

Once a showcase for the shortcomings of Soviet central planning, GUM (pronounced "goom") is being transformed by a quite un-Communist phenomenon: stockholders demanding profits.

went on the market in November at 400 rubles and sells today through a private brokerage for about 3,800 rubles (\$3.80). At that price the company is worth about \$24 million.

Even the full name has been privatized, from Gosudarstvennyy Univermag (State Department Store) to Glavnyi Univermag Moskvi (Main Department Store of Moscow).

GUM has abandoned Communist-era xenophobia and filled its shelves with 60 per-

cent foreign goods. "We have had some complaints about the foreign firms," admitted Vyacheslav Vechkanov, the vice chairman, an ex-Finance Ministry bureaucrat. "But we can't do anything about it, because the Russian factories are in terrible shape."

Largely because of foreign products, GUM sales and profit are growing in real terms despite Depression-level drops in income.

The chain, which also has 14 smaller, specialty stores elsewhere in Moscow, earned more than 6 billion rubles in the first six months of this year. Sales reached 52 billion rubles, Mr. Sokolov said.

GUM opened 100 years ago as a stockholder-owned department store with more than 1,000 shops on three tiers.

In the heyday of central planning, government bureaucrats ruled GUM. They set salaries, and a miserly maintenance budget. They

Mark-ups are just 10 to 25 percent, because consumers can't afford much.

decided what products would be sold, and set prices without regard to costs.

When the first stores stocking foreign goods appeared before communism's collapse, they were open only to a privileged few. Some accepted only shoppers with invitations, others only those with hard currency.

Today, with the ruble virtually convertible, every shop in GUM accepts Russian banknotes. Even the traditional stores are full, by Russian standards. GUM strikes its own deals with factories at home and abroad, with whatever capital it can muster. It even experiments with prices to determine demand.

Mark-ups are just 10 percent to 25 percent, because consumers cannot afford much, Mr. Sokolov said.

At the homewares alcove, 20 shoppers crowd around the counter and strain to see products inconveniently displayed on shelves five feet away. Russian plastic caps cost 4 cents; German pots and pans are priced at \$303. In the classic Russian system, shoppers wait once to be shown an item, a second time to pay and a third time to take possession.

In contrast, customers at the clothing shop run by Karstadt AG of Germany may leave to enter, but once inside they can examine, at leisure, a variety of mid-price Western clothing, and pay for all purchases at the exit.

The shop is so successful that Karstadt has expanded at GUM three times. It also invested \$100,000 in GUM stock.

The foreign salons are run as GUM departments, with Karstadt and others providing physical renovation, equipment, training and products. Because outsiders carry the cost of inventory, GUM is able to fill its stores despite a severe shortage of operating funds.

EC Veto Likely On Aer Lingus Cash Infusion

Bloomberg Business News

BRUSSELS—The EC Commission is expected to rule this week that Aer Lingus, the ailing Irish flag carrier, may not accept a cash infusion from the Irish government, an EC official said Monday.

Without that money, the survival of the carrier is threatened.

Parliament approved a rescue plan in July that would have given the debt-burdened state carrier about 175 million punts (\$250 million). But the cash infusion by Aer Lingus's sole shareholder, the government of Ireland, requires the approval of the European Community.

The EC official, who spoke on condition of anonymity, said the Irish government's proposed rescue plan "doesn't go far enough" with measures to restore the airline to merit EC approval.

EC rules allow every state-owned carrier one final cash infusion, but the money must be tied to a restructuring that the Community deems sufficient to bring the airline back to health.

The proposed plan, called the "Cahill Plan" after Bernie Cahill, the executive chairman of Aer Lingus, would have entailed job reduc-

tions of 1,280, including early retirements, and the grounding of two aircraft, among other measures.

An Aer Lingus spokesman said the airline had heard nothing so far about the status of Ireland's request to the Community to give a cash infusion and so had no comment.

But he said, "This is a big restructuring by any stretch of the imagination."

The plan has yet to win an agreement between the carrier and its unions. Airline officials and unions have been in talks since July about layoffs and changes in work rules.

Only 200 workers have agreed to accept early retirement packages and the carrier needs to eliminate 1,280 positions for the plan to work. The deadline for deciding on job reductions is next week.

The deadline for final agreement between the airline and unions on a new structure for the carrier is Oct. 31, but if the Community turns thumbs down, as the official says will happen, that could send the government back to the drawing board to put together a more draconian restructuring.

Investor's Europe				
Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	CBS Trend	125.40	124.00	+1.13
Brussels	Stock Index	6,816.20	6,647.57	+0.44
Frankfurt	DAX	1,912.84	1,881.69	+1.64
Frankfurt	FAZ	734.57	724.85	+1.34
Helsinki	HEX	1,358.91	1,364.23	-0.39
London	Financial Times 30	2,328.30	2,331.00	-0.12
London	FTSE 100	3,004.50	3,005.50	-0.03
Madrid	General Index	286.17	285.87	+0.10
Milan	MBE	1,300.00	1,305.00	-0.46
Paris	CAC 40	2,107.36	2,089.50	+0.87
Stockholm	Affarsveivarden	1,515.55	1,511.93	+0.24
Vienna	Stock Index	425.56	423.69	+0.44
Zurich	SBS	632.00	621.00	+1.34

Sources: Reuters, AFP
International Herald Tribune

Very briefly:

- Deutsche Babcock AG has agreed to buy a 40 percent stake in Thomassen International Holding BV, a Dutch maker of gas turbines, and has an option to take a majority stake by the end of 1994.
- MATIF, the French futures exchange, renegotiated the fees members will soon have to pay to the Globex overnight exchange slashing them by up to 80 percent, its chairman, Gerard Pfauwadel, said.
- Murray Johnston Holdings, a Glasgow-based investment-management company, is to be acquired by United Asset Management Corp. of Boston in a stock swap valued about \$75 million.
- The Czech government is to issue a decree giving companies at least 30 percent foreign-held the right to import parts and raw materials for their own production duty-free, the Prague daily Lidove Noviny said.
- Georg Fischer AG, a Swiss car part supplier and manufacturing technology concern, expects a 1993 net loss of between 30 million and 50 million Swiss francs (\$21.4 million to \$35.7 million).
- Schneider SA said 100 million French francs (\$17.8 million) in one-time gains will allow it to report net profit after minority interests of about 200 million francs for the first half of 1993, up 3.5 percent from a year earlier.
- Vauxhall Motors Ltd., the British unit of General Motors Corp., will cut output at its Luton and Ellesmere plants. AFP, Reuters, Bloomberg, APX.

Poll Backs Opening Telecoms

Compiled by Our Staff From Dispatches

BRUSSELS—European executives want telecommunications markets opened up to more competition, and 70 percent would consider changing companies if they could, according to a survey released Monday.

The poll, commissioned by British Telecommunications PLC, found support for opening up telecommunications ranging from 75 percent of those polled in France to 94 percent in the Netherlands.

The 500 executives questioned by telephone in 11 European countries said they expected deregulation to result in lower costs, greater efficiency and better service, according to the Harris Research Center in Britain.

Jonathan Rickford, government relations director for British Telecommunications, said the results showed that the European Commission should speed up its plans to open up telephone voice traffic to competition. (AP, Reuters)

IMF Delays \$1.5 Billion Loan to Russia

By Steven Greenhouse
New York Times Service

WASHINGTON—The International Monetary Fund has decided to delay a \$1.5 billion loan to Russia because of Moscow's failure to cut its inflation rate and carry out other promised reforms.

But U.S. and fund officials said they were encouraged that the Russian government had shown what they see as a stepped-up commitment to reform over the last few days, for instance to the appointment of former Prime Minister Yegor T. Gaidar as a first deputy prime minister.

In recent weeks, the International Monetary Fund and the United States have told Russia that they were concerned that inflation had ballooned to 29 percent in August and that Moscow was not doing enough to reduce its budget deficit.

But after visiting Moscow last

week, Lawrence H. Summers, undersecretary of the Treasury for international affairs, said he was more encouraged than he had been in midsummer.

"The recent inflation rate has been too high, but I am encouraged by Russia's official plans to get financial conditions back under control," he said Sunday. "It is crucial that these plans be implemented as a basis for economic growth in Russia and for the full effectiveness of Western support."

The United States and other leading industrial nations have approved a \$44 billion aid package for Russia, including a stretching out of \$16 billion in debt repayments. Much of that aid is not expected to be affected by Russia's failure to carry out certain reforms.

But the more than \$10 billion that would come from the IMF and World Bank or be funneled through them could be delayed for months if

Russia fails to bring inflation and the budget deficit under control.

A fund official said that his organization was unhappy with Russia's backtracking on reforms during the summer.

"Important measures in the budget field have not been taken, and credit discipline has been relaxed," he said. "This has put their reform program off track."

The fund official, who insisted on anonymity, said the loan was being delayed indefinitely, but he hinted that Russia might receive it by the end of the year if Moscow displayed a strong and renewed commitment to reform.

A U.S. official said, "Our message is, if Russia's policies continue to get out of control and inflation continues to go up, it will be difficult for the multilateral aid package to continue."

The government of President Boris N. Yeltsin has been caught up in

Balladur Wants Layoff Reviews

PARIS—Prime Minister Edouard Balladur ordered state companies on Monday to review layoff plans to halt a surge in French unemployment.

Nicolas Sarkozy, the government spokesman, said state companies must set the example in using layoffs only as a last resort. Joblessness is running at a record 11.7 percent, and the latest figures show that 3.2 million people in France are unemployed.

Mr. Balladur held an emergency meeting with ministers after private companies and state concerns, including Air France and the computer-maker Groupe Bull, announced plans last week to lay off more than 13,000 workers.

EC Officials See Progress Toward Accord on Steel

BRUSSELS—European Community officials expressed optimism Monday that Spain, Italy and Germany would agree to do more to restructure their steel sectors and clear the way for an overhaul of the industry.

The EC Commission has said the three nations' previous restructuring plans called for too much state aid and did not make enough cuts in production capacity.

But officials said on the eve of a meeting of industry ministers Tuesday that a compromise seemed to be near. They said Spain's case was particularly settled, talks with Italy were progressing rapidly, and the dispute with Germany was likely to be resolved this month.

NASDAQ Monday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Stock	Div.	Yld	PE	52 Wk High	52 Wk Low	Latest Cris
120	100	IBM	4.00	4.5	15	120	100	110
150	130	Microsoft	0.00	0	20	150	130	140
200	180	Apple	0.00	0	25	200	180	190
300	280	Oracle	0.00	0	30	300	280	290
400	380	Sun	0.00	0	35	400	380	390
500	480	Lucent	0.00	0	40	500	480	490
600	580	Motorola	0.00	0	45	600	580	590
700	680	Intel	0.00	0	50	700	680	690
800	780	Cisco	0.00	0	55	800	780	790
900	880	Novell	0.00	0	60	900	880	890
1000	980	3Com	0.00	0	65	1000	980	990
1100	1080	PerkinElmer	0.00	0	70	1100	1080	1090
1200	1180	Amgen	0.00	0	75	1200	1180	1190
1300	1280	Genentech	0.00	0	80	1300	1280	1290
1400	1380	Boehringer	0.00	0	85	1400	1380	1390
1500	1480	Amgen	0.00	0	90	1500	1480	1490
1600	1580	Genentech	0.00	0	95	1600	1580	1590
1700	1680	Boehringer	0.00	0	100	1700	1680	1690
1800	1780	Amgen	0.00	0	105	1800	1780	1790
1900	1880	Genentech	0.00	0	110	1900	1880	1890
2000	1980	Boehringer	0.00	0	115	2000	1980	1990

NY 50

NYSE

Monday's Closing
Tables include price changes up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

NYSE LISTINGS

Symbol	Open	High	Low	Close	Change
IBM	174 1/4	174 3/4	174 1/4	174 1/4	+1/4
Microsoft	107 1/4	107 3/4	107 1/4	107 1/4	+1/8
Apple	125 1/4	125 3/4	125 1/4	125 1/4	+1/4
American Express	105 1/4	105 3/4	105 1/4	105 1/4	+1/4
General Electric	30 1/4	30 3/4	30 1/4	30 1/4	+1/4
Johnson & Johnson	26 1/4	26 3/4	26 1/4	26 1/4	+1/4
Merck	44 1/4	44 3/4	44 1/4	44 1/4	+1/4
Pfizer	21 1/4	21 3/4	21 1/4	21 1/4	+1/4
Wendover	13 1/4	13 3/4	13 1/4	13 1/4	+1/4
Travelers	40 1/4	40 3/4	40 1/4	40 1/4	+1/4
Countrywide	28 1/4	28 3/4	28 1/4	28 1/4	+1/4
Bank One	45 1/4	45 3/4	45 1/4	45 1/4	+1/4
Wells Fargo	35 1/4	35 3/4	35 1/4	35 1/4	+1/4
Monetta	11 1/4	11 3/4	11 1/4	11 1/4	+1/4
Adelphia	20 1/4	20 3/4	20 1/4	20 1/4	+1/4
WorldCom	28 1/4	28 3/4	28 1/4	28 1/4	+1/4
US West	15 1/4	15 3/4	15 1/4	15 1/4	+1/4
Sprint	42 1/4	42 3/4	42 1/4	42 1/4	+1/4
Qwest	12 1/4	12 3/4	12 1/4	12 1/4	+1/4
Nextel	18 1/4	18 3/4	18 1/4	18 1/4	+1/4
Verizon	22 1/4	22 3/4	22 1/4	22 1/4	+1/4
Time Warner	38 1/4	38 3/4	38 1/4	38 1/4	+1/4
Warner Bros.	32 1/4	32 3/4	32 1/4	32 1/4	+1/4
News Corp.	30 1/4	30 3/4	30 1/4	30 1/4	+1/4
Amgen	24 1/4	24 3/4	24 1/4	24 1/4	+1/4
Amgen	24 1/4	24 3/4	24 1/4	24 1/4	+1/4
Amgen	24 1/4	24 3/4	24 1/4	24 1/4	+1/4
Amgen	24 1/4	24 3/4	24 1/4	24 1/4	+1/4
Amgen	24 1/4	24 3/4	24 1/4	24 1/4	+1/4

IBM (174 1/4) - **Q3 Earnings** **\$1.38** (vs. **\$1.35** in Q3 1992). Revenue **\$11.1B**. Net income **\$1.1B**. Analysts expect Q4 earnings to be **\$1.40** and 1993 earnings to be **\$5.60**. IBM is trading at a P/E ratio of **14.3**.

Microsoft (107 1/4) - **Q3 Earnings** **\$0.50** (vs. **\$0.48** in Q3 1992). Revenue **\$1.6B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.52** and 1993 earnings to be **\$2.10**. Microsoft is trading at a P/E ratio of **21.4**.

Apple (125 1/4) - **Q3 Earnings** **\$0.51** (vs. **\$0.49** in Q3 1992). Revenue **\$1.8B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.53** and 1993 earnings to be **\$2.20**. Apple is trading at a P/E ratio of **24.6**.

General Electric (30 1/4) - **Q3 Earnings** **\$0.28** (vs. **\$0.27** in Q3 1992). Revenue **\$4.9B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.29** and 1993 earnings to be **\$1.20**. GE is trading at a P/E ratio of **10.7**.

Johnson & Johnson (26 1/4) - **Q3 Earnings** **\$0.29** (vs. **\$0.28** in Q3 1992). Revenue **\$2.8B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.30** and 1993 earnings to be **\$1.20**. J&J is trading at a P/E ratio of **9.1**.

Merck (44 1/4) - **Q3 Earnings** **\$0.38** (vs. **\$0.37** in Q3 1992). Revenue **\$3.1B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.39** and 1993 earnings to be **\$1.60**. Merck is trading at a P/E ratio of **11.7**.

Wendover (13 1/4) - **Q3 Earnings** **\$0.23** (vs. **\$0.22** in Q3 1992). Revenue **\$1.0B**. Net income **\$0.2B**. Analysts expect Q4 earnings to be **\$0.24** and 1993 earnings to be **\$0.90**. Wendover is trading at a P/E ratio of **5.4**.

Travelers (40 1/4) - **Q3 Earnings** **\$0.37** (vs. **\$0.36** in Q3 1992). Revenue **\$1.9B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.38** and 1993 earnings to be **\$1.50**. Travelers is trading at a P/E ratio of **10.7**.

Countrywide (28 1/4) - **Q3 Earnings** **\$0.31** (vs. **\$0.30** in Q3 1992). Revenue **\$1.5B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.32** and 1993 earnings to be **\$1.30**. Countrywide is trading at a P/E ratio of **9.1**.

Bank One (45 1/4) - **Q3 Earnings** **\$0.42** (vs. **\$0.41** in Q3 1992). Revenue **\$2.1B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.43** and 1993 earnings to be **\$1.70**. Bank One is trading at a P/E ratio of **10.8**.

Wells Fargo (35 1/4) - **Q3 Earnings** **\$0.35** (vs. **\$0.34** in Q3 1992). Revenue **\$2.0B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.36** and 1993 earnings to be **\$1.40**. Wells Fargo is trading at a P/E ratio of **10.1**.

Monetta (11 1/4) - **Q3 Earnings** **\$0.21** (vs. **\$0.20** in Q3 1992). Revenue **\$0.9B**. Net income **\$0.2B**. Analysts expect Q4 earnings to be **\$0.22** and 1993 earnings to be **\$0.80**. Monetta is trading at a P/E ratio of **5.7**.

Adelphia (20 1/4) - **Q3 Earnings** **\$0.28** (vs. **\$0.27** in Q3 1992). Revenue **\$0.9B**. Net income **\$0.2B**. Analysts expect Q4 earnings to be **\$0.29** and 1993 earnings to be **\$1.10**. Adelphia is trading at a P/E ratio of **7.3**.

WorldCom (28 1/4) - **Q3 Earnings** **\$0.32** (vs. **\$0.31** in Q3 1992). Revenue **\$1.6B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.33** and 1993 earnings to be **\$1.30**. WorldCom is trading at a P/E ratio of **8.8**.

US West (15 1/4) - **Q3 Earnings** **\$0.25** (vs. **\$0.24** in Q3 1992). Revenue **\$0.9B**. Net income **\$0.2B**. Analysts expect Q4 earnings to be **\$0.26** and 1993 earnings to be **\$1.00**. US West is trading at a P/E ratio of **6.1**.

Sprint (42 1/4) - **Q3 Earnings** **\$0.40** (vs. **\$0.39** in Q3 1992). Revenue **\$1.8B**. Net income **\$0.4B**. Analysts expect Q4 earnings to be **\$0.41** and 1993 earnings to be **\$1.60**. Sprint is trading at a P/E ratio of **10.6**.

Qwest (12 1/4) - **Q3 Earnings** **\$0.22** (vs. **\$0.21** in Q3 1992). Revenue **\$0.8B**. Net income **\$0.2B**. Analysts expect Q4 earnings to be **\$0.23** and 1993 earnings to be **\$0.90**. Qwest is trading at a P/E ratio of **5.6**.

Nextel (18 1/4) - **Q3 Earnings** **\$0.28** (vs. **\$0.27** in Q3 1992). Revenue **\$1.0B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.29** and 1993 earnings to be **\$1.10**. Nextel is trading at a P/E ratio of **6.5**.

Warner Bros. (32 1/4) - **Q3 Earnings** **\$0.32** (vs. **\$0.31** in Q3 1992). Revenue **\$1.7B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.33** and 1993 earnings to be **\$1.30**. Warner Bros. is trading at a P/E ratio of **9.8**.

News Corp. (30 1/4) - **Q3 Earnings** **\$0.30** (vs. **\$0.29** in Q3 1992). Revenue **\$1.6B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.31** and 1993 earnings to be **\$1.20**. News Corp. is trading at a P/E ratio of **9.3**.

Amgen (24 1/4) - **Q3 Earnings** **\$0.30** (vs. **\$0.29** in Q3 1992). Revenue **\$1.5B**. Net income **\$0.3B**. Analysts expect Q4 earnings to be **\$0.31** and 1993 earnings to be **\$1.20**. Amgen is trading at a P/E ratio of **8.1**.

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AMEX

Monday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High/Low, Div, Yld, PE, % Chg, High/Low/Latest Chg. Lists various stocks including AMER, AMEX, AMF, etc.

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Advertisement for 'BEYOND 2000' featuring Lewis Platt, Arno Penzias, Akira Fujimasa, etc. Includes text: 'Foresight or 20/20 Hindsight? Your choice.' and 'It is very hard to predict the future but usually the best way is to go back and take a running start'.

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SPORTS BASEBALL

Braves Triumph Behind Glavine

The Associated Press
Tom Glavine likes the company he's keeping these days, with guys like Ferguson Jenkins, Dave Stewart and Warren Spahn.

Glavine became the first National League pitcher in more than 30 years to win 20 games in three consecutive seasons as the Atlanta Braves battered the visiting New York Mets, 11-2, Sunday night to maintain their National League West lead at three games over the San Francisco Giants.

The Braves, who have 12 games left, were idle Monday before a six-

iting Los Angeles to win the season series.

In earlier games, reported in some Monday editions:
Giants 7, Reds 3: Matt Williams hit two more homers, giving him 10 in his last 15 games, and drove in five runs as San Francisco swept the series in Cincinnati.

Expos 6, Phillies 5: Montreal, down to its last at-bat at home after a sharp grounder bounced off Philadelphia first baseman John Kruk's chest for an error and loaded the bases, got a two-out, two-run single from Wil Cordero in the ninth to keep the NL East race close.

Cordero's bases-loaded hit put Montreal again four games back with 13 left in the season.

Cardinals 7, Pirates 6: Mark Whiten's two-out, two-run double to the ninth gave St. Louis victory over visiting Pittsburgh.

Mariners 2, Cubs 1: Chris Hammond allowed four hits in 7 2/3 innings and drove in a run with a squeeze bunt as Florida won in Chicago.

Padres 6, Astros 3: Phil Plantier hit his 332nd homer as San Diego won in Houston and ended a four-game losing streak.

NL ROUNDUP

game road trip to Montreal and Philadelphia. The Giants were to open a four-game series in Houston on Monday night and have 14 games remaining.

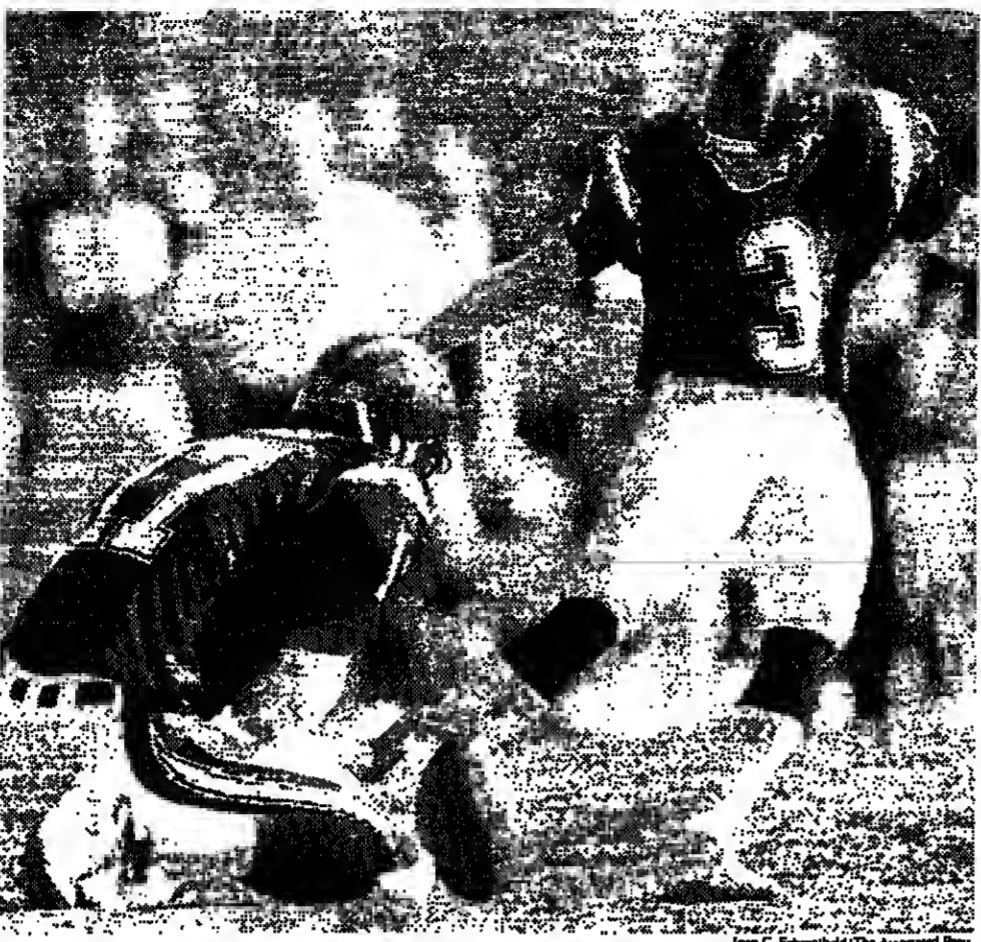
Glavine, at 20-5 the NL's first 20-game winner this season, went six innings, allowing nine hits, two runs, walking one and striking out four. It was his sixth straight victory and 10th in 11 decisions.

"It shows some people that don't think I'm that good a pitcher," said Glavine. "I can take pride in it when I'm done playing."

Jenkins was the last NL pitcher to win 20 games at least three years in a row, doing it six straight seasons from 1967 through '72. In the American League, Stewart was the last, with four consecutive years from 1987 through '90.

Otis Nixon got three of the Braves' 14 hits. Jeff Blaser, Roo Gant and Fred McGriff each had two while Justice hit a sacrifice fly and a two-run single. The three RBIs gave Justice a share of the NL lead at 110 with Gant, who also drove in a run, his 18th in eight games. Blaser and Terry Pendleton each drove in two runs.

Rockies 8, Dodgers 5: Nelson Liriano tripled and drove in three runs as Colorado Rockies beat vis-



The Chargers' John Carney kicking the field goal that beat the Oilers, and ran his record to 29 straight.

Smith Back for Cowboys But Isn't Really Needed

The Associated Press
Add one Emmitt Smith to the Dallas lineup. Add one victory to the Cowboys' record.

Not that Smith played that much Sunday night. He didn't have to with Troy Aikman, Alvin Harper, Michael Irvin and, yes, Derrick Lassic having big games in a 17-10 victory in Phoenix.

The Cowboys, defending Super Bowl champions, lost their first two games with Smith holding out. He signed a \$13.6 million, four-year contract Thursday and was on the sideline when the game began. By the time he did come in, with 6:21 left in the third quarter, Dallas was leading by 17-7.

The Cowboys' defense was stingy, holding the Cardinals to 68 yards rushing for the game.

Lassic, the rookie from Alabama who has replaced Smith, had both touchdowns, while Aikman was on the way to a 21-for-27 night for 281 yards. Harper caught five passes for 136 yards, and Irvin five for 74.

"If my starting career is over," Lassic said, "I'm going out on top. I just felt much more comfortable this week knowing Emmitt was

here and that everything wasn't on my shoulders."

"I wanted to stay patient," said Smith, who rushed for 45 yards on eight carries. "But once the kickoff came, I got antsy to get in there. I have to admit I was nervous."

Aikman was almost as thrilled to have Smith available as he was to get the team into the victory column.

"The guys were excited to have him back out there in the huddle," he said. "There's no doubt he gives us a lift, and then once he started running the ball, he did real well. It feels good to finally get a victory."

Browns 19, Raiders 16: Eric Metcalf scored on a one-yard run with two seconds left to complete visiting Cleveland's wild comeback against Los Angeles. Both teams had been unbeaten.

Vinny Testaverde relieved an ineffective Bernie Kosar early in the fourth quarter and guided the Browns to a three-lead scoring drive. After the Raiders' punter, Jeff Gossett, stepped out of the end

NFL ROUNDUP

zone for an intentional safety with 1:41 left to make it 16-12. Metcalf returned the ensuing free kick 37 yards to the Los Angeles 45. The Browns needed eight plays to get the winning touchdown.

Chargers 18, Oilers 17: John Carney, for the second time this season, was all the offense the Chargers would need, or get, as he set an NFL record for consecutive field goals, with 29, by kicking 6 against visiting Houston. The final kick, from 27 yards, came with 3 seconds to play.

Carney, who also connected three times from 27 yards, twice from 34 and once from 36, said, "Now we can go back to business as usual."

Warren Moon was picked off four times and yanked. So was San Diego's starting quarterback, Stan Humphries.

49ers 37, Falcons 30: Steve Young passed for three touchdowns, and caught his own deflected pass to set up Ricky Walters' two-yard TD run for San Francisco, playing at home.

"I wanted to score," said Young, who made it a six-yard completion after his throw bounced off Atlanta defender Vinnie Clark near the goal line.

Jerry Rice ran 43 yards on a reverse for a score and Walters rushed for 112 yards as the 49ers withstood 192 rushing yards by Eric Pegrum, who started for the injured Eric Dickerson. No one has ever rushed for more yards against the 49ers. Bobby Hebert added three scoring passes to Andre Rison for Atlanta.

In earlier games, reported in some Monday editions:
Eagles 34, Redskins 31: Calvin Williams's third touchdown catch with four seconds left gave host Philadelphia its victory. Williams, who caught eight passes for 181 yards, made a leaping 10-yard reception.

Randall Cunningham completed 25 of 39 for 360 yards, while Washington's Cary Conklin, filling in for injured Mark Rypien, also threw for three touchdowns. Washington got 154 yards rushing from rookie Reggie Brooks, including an 85-yard TD run.

Seahawks 17, Patriots 14: Chris Warren ran for 174 yards and a touchdown as visiting Seattle beat New England, which rallied for 14 points in the final quarter before Scott Sisson's 54-yard field goal attempt bounced off the crossbar with 30 seconds left.

Seattle's Rick Mirer, chosen No. 2 in this spring's draft, was 12-of-16 passing for 117 yards and his first NFL touchdown before being knocked out with an eye injury late in the third quarter. New England's Drew Bledsoe, the top draft pick, consistently threw behind and after receivers and was intercepted twice. He was 20-for-44 for 340 yards and a touchdown, but many of those yards came in the fourth quarter after the Seahawks had taken a 17-0 lead.

Eight teams had byes this week: Miami, Buffalo, the New York Jets, Indianapolis, Chicago, Tampa Bay, Green Bay and Minnesota.

White Sox Clobber Eckersley in 9th, Open 4 1/2-Game Lead

The Associated Press
Robin Ventura, who had never gotten a hit off Dennis Eckersley, picked a good time to get a big one.

His two-run homer off the struggling reliever in the ninth inning gave Chicago a 3-1 victory in Oakland on Sunday and put the White Sox 4 1/2 games ahead of second-place Texas in the American League West. It was Chicago's 14th victory in 21 games.

"I've hit balls good off him. I've just never gotten a hit," Ventura

said. "It just seems like I've always hit them at someone."

Not this time. After Frank Thomas's leadoff single, Ventura first was given a hunt sign, then placed in the ninth before being tripped by Roger Smithberg.

"It's kind of been a bad year and humbling experience for me, including today," Eckersley said.

Because of a sore arm that hampered his swing, Thomas was planning to bend to get on base to the ninth but ended up punching a single into right field. He suffered a muscle spasm in his upper arm after crashing into the stands chasing a foul ball in the seventh.

Angels 9, Rangers & Rene Gonzalez hit a three-run homer as California beat visiting Texas.

With the Angels trailing, 8-6, Chad Curtis singled off Bob Patterson and Tom Henke walked Chili Davis with one out. Gonzalez then hit his second home run this year.

Dean Palmer homered twice for the Rangers, who have 13 games remaining.

Mariners 4, Royals 1: Erik Hanson gave up five hits in 8 1/3 innings as Seattle beat visiting Kansas City. The Mariners got three runs in the fourth off Ken Griffey's double,

Mike Blowers's triple and Bret Boone's sacrifice fly.

Orioles 8, Brewers 4: Harold Baines drove in four runs in Milwaukee as Baltimore ended a 25-inning scoring drought to remain five games behind the leading Toronto Blue Jays in the AL East.

The Orioles have three games in Cleveland before going home to play their last 10, with the final four against Toronto.

In earlier games, reported in some Monday editions:
Blue Jays 10, Twins 0: Toronto,

which got a team-record nine doubles by eight players in Minneapolis, won its eighth straight and opened a four-game lead over New York with 13 games to go.

Red Sox 8, Yankees 3: John Valentin doubled in a run, homered for two and singled to a fourth as Boston won in New York.

Indians 12, Tigers 2: Mark Clark did not give up a hit until the seventh and Sam Horn, playing only his second game this season, homered twice and drove in four runs as Cleveland won in Detroit.

SCOREBOARD

Major League Standings

Team	W	L	Pct.	GB
Toronto	84	67	.557	-
New York	83	68	.554	1
Baltimore	81	68	.544	3
Boston	77	67	.537	6
Detroit	76	73	.510	10
Cleveland	71	79	.473	15 1/2
Minnesota	64	86	.427	22 1/2

Team	W	L	Pct.	GB
Philadelphia	90	59	.604	-
Montreal	86	63	.577	4
St. Louis	82	67	.552	8
Chicago	76	74	.507	14 1/2
Pittsburgh	69	80	.463	21
Florida	62	67	.481	28
New York	58	73	.443	32

Team	W	L	Pct.	GB
Atlanta	94	54	.634	-
San Francisco	92	56	.622	2
Houston	78	71	.520	17 1/2
Los Angeles	75	74	.507	20
Cincinnati	69	81	.460	27
Colorado	62	81	.434	34 1/2
San Diego	58	82	.413	38

Sunday's Line Scores

AMERICAN LEAGUE

Team	R	H	E	W	L
New York	0	0	0	0	3
Detroit	9	10	0	1	0
Cleveland	0	0	0	0	7
Minnesota	0	0	0	0	7
Philadelphia	0	0	0	0	1
Chicago	3	1	0	1	0
St. Louis	0	0	0	0	1
Atlanta	0	0	0	0	1
San Francisco	0	0	0	0	1
Houston	0	0	0	0	1
Los Angeles	0	0	0	0	1
Cincinnati	0	0	0	0	1
Colorado	0	0	0	0	1
San Diego	0	0	0	0	1

NATIONAL LEAGUE

Team	R	H	E	W	L
Philadelphia	0	0	0	0	1
Montreal	0	0	0	0	1
St. Louis	0	0	0	0	1
Chicago	0	0	0	0	1
Pittsburgh	0	0	0	0	1
Florida	0	0	0	0	1
New York	0	0	0	0	1
Atlanta	0	0	0	0	1
San Francisco	0	0	0	0	1
Houston	0	0	0	0	1
Los Angeles	0	0	0	0	1
Cincinnati	0	0	0	0	1
Colorado	0	0	0	0	1
San Diego	0	0	0	0	1

FOOTBALL

NFL Standings

Team	W	L	T	Pts	PP	PA
Buffalo	2	0	0	100	51	34
Indianapolis	1	1	0	320	25	38
Miami	1	1	0	300	38	44
N.Y. Jets	1	1	0	300	44	44
New England	0	3	0	300	44	44

Canadian League

Team	W	L	T	Pts	PP	PA
Winnipeg	0	4	0	404	307	16
Hamilton	5	7	0	230	364	10
Ontario	2	9	0	242	338	4
Toronto	2	9	0	267	358	4

DENNIS THE MENACE



PEANUTS



CALVIN AND HOBBES



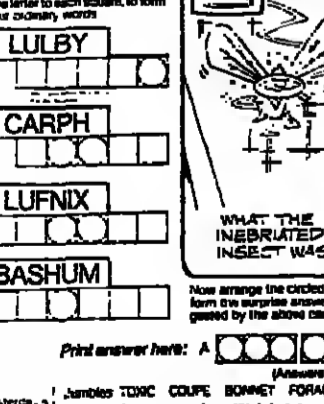
WIZARD of ID



REX MORGAN



JUMBLE



BEETLE BAILEY



DOONESBURY



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